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Daily Report

Sub-Saharan Africa

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Daily Report

Sub-Saharan Africa

FBIS-AFR-89-179

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18 September 1989

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Ministerial Conference on Angola Opens in Zaire

AB1609163089 Kinshasa AZAP in French 1535 GMT
16 Sep 89

[Text] Kinshasa, 16 Sep (AZAP)—The preparatory ministerial meeting to the summit of the eight heads of state from central and southern Africa on the peace process in Angola opened today in Kinshasa under the chairmanship of Zambian Foreign Minister Luke Mwananshiko. The meeting, which will assess the development in the peace process in Angola, torn apart by a 15-year-old civil war, will examine the report to be presented by Zaire on the issue. The meeting brings together the foreign ministers of Zaire, Zambia, Congo, Gabon, Mozambique, Zimbabwe, Angola, and Sao Tome and Principe.

In his welcoming address, the state commissioner for foreign affairs, Citizen Nguz a Karl-I-Bond, expressed happiness over the presence of his African counterparts who responded to the instructions of the heads of state who met on 22 August in Harare to discuss the crucial Angolan issue. For his part, the Zambian foreign minister expressed his gratitude to the guide, Mobutu Sese Seko, and to his people for the warm welcome given him and his colleagues.

The meeting will end tomorrow while the summit of the eight heads of state will be held on 18 September in Kinshasa. The process for peace in Angola began effectively with the Gbadolite summit on 22 June. It led to the historic handshake between Angolan head of state Eduardo dos Santos and the National Union for the Total Independence of Angola leader, Jonas Savimbi. It also led to the imposition of a cease-fire between the two warring sides. Zaire, designated as mediator in the conflict, with the assistance of other African countries, is continuing efforts to bring peace to Angola despite certain obstacles coming up here and there.

UNITA Summit Participation Uncertain

AB1609180089 Paris AFP in French 1307 GMT
16 Sep 89

[By Jean-Pierre Rejete]

[Excerpt] Kinshasa, 16 Sep (AFP)—On 18 September, in less than 48 hours, a summit meeting of the heads of state of eight African countries will take place in Kinshasa to discuss Angola, where fighting continues between government forces and the National Union for the Total Independence of Angola [UNITA] troops, but participation of the rebels in this meeting, the second after that in Harare on 23 August, remains the great unknown. In Zaire, where there is total silence on the topics to be discussed on Monday, it seems much effort is being made to convince UNITA leader Jonas Savimbi to come and sit at the discussion table with the Luanda government, observers note.

Last Monday [11 September], Zairian President Marshal Mobutu Sese Seko received Herman Cohen, U.S. assistant secretary of state for African affairs, who encouraged the Zairian head of state to continue the mediation

efforts, it is recalled. According to reliable sources, Mobutu reportedly requested the U.S. Government, which continues to support UNITA, to use its influence to convince the UNITA leader to change his mind and attend the 18 September summit. [passage omitted]

Congolese Foreign Minister Arrives

AB1609120289 Kinshasa AZAP in French 1033 GMT
16 Sep 89

[Excerpt] Kinshasa, 15 Sep (AZAP)—Antoine Ndinga-Oba, Congolese minister of foreign affairs and cooperation, arrived here this evening to take part tomorrow, 16 September, in the preparatory meeting of the summit of eight heads of state scheduled to open on Monday, 18 September, in the Zairian capital to examine the Angolan peace process.

In a statement made to AZAP at Ngabila beach, the Congolese foreign minister said that his country "supports efforts being made by Zaire and other countries of the region toward restoring a lasting peace in Angola." As Zaire's neighbor, he further said, "we are duty bound to come and assess the progress of the peace process and hear Zaire's report on this question." Attending the meeting are the foreign ministers of Zambia, Congo, Gabon, Angola, Zimbabwe, Mozambique, Sao Tome and Principe, and Zaire. [passage omitted including indistinct portions]

* Impediments to Democratic Progress Analyzed

34190340 Paris LIBERATION in French 16 Aug 89 p 4

[Commentary by Ange-Severin Malanda, a Congolese philosopher and writer and author of the forthcoming book "L'Epopée de Damokles Mani" ["The Epic of Damokles Mani"]; "African Democracy's Long Hiccups"; passages enclosed in slantlines published in italics]

[Text] On 2 August, Benin's National Assembly reelected General Kerekou as head of a state apparatus which, as former president Emile-Derlin Zinsou wrote unhesitatingly, is pursuing "an incoherent, mad, absurd policy, whose only end is to give governments opportunities to line their pockets and put friends and supporters in cushy jobs" (LE MONDE, 4 August 1989). Day after day, month after month, the news reaching us from Africa adds just a bit more to a situation that is already shady, morbid, and disquieting. Rigged elections and congresses of single parties follow and resemble one another, like a shooting pain. No one knows any more how and in what terms to understand or grasp the way in which African politics and economics are developing. No one knows or is able to tell the difference between Marshal Mobutu's dictatorship and the unstable, unsubstantial Senegalese democracy. In a word, a language crisis has devalued most of the terms clever politicians know how to use so well.

Modern African history has become the despicable model of a perfect degeneration. It is simple to say that

a single party (the People's Movement of the Revolution, MPR) governs in Kinshasa, while Senegalese political life revolves around a surfeit of parties for whom Abdou Diouf and the party he heads up are often grist for the mill. But nobody can be puzzled by the methods that the Senegalese Government uses unendingly to spy on, throttle, and punish the main leaders of the opposition. Might Senegalese democracy be superfluous?

The latest news reports lead one to think that the case of Senegal in no way escapes from the archaisms of most African societies. Now, despite its fierce opposition to the state party Leopold Sedar Senghor willed to Abdou Diouf, the Senegalese opposition has not been able or known how to assess the importance of the unreal obstacles and the complex forces that still completely bar an African's way to a democratic arena.

In three decades, the whole continent has been unable to get further than square one in politics. What is politics? It is the inventing and the consolidating of a public space in which magic-religious words yield to words uttered by citizens, fully within the law and aware that at the same time some are competing with others: Every time someone speaks out, then, this act becomes part of a community odyssey or a set of games with arguments. Seen in this way, there is no democracy unless a public space has been established, and there is no political space unless there is open competition at the social and language levels. It can't be helped: Several centuries before the common era, the Greeks were among the first to sketch out the range of what was possible in politics and democracy.

In precolonial Africa, a certain mythic-religious vision, whose nonconscious element has not yet been detected, helped keep practices of power and forms of allegiance alive with certain symbols. Postcolonial Africa has given new life to these symbols, power practices, and forms of allegiance that had been repressed during the colonial era. In central Africa's segmented and leaderless societies, elders have started exercising their prerogatives vis-a-vis the young again. The social hierarchies dating from the old West African empires have been restored.

While England and France and, for a time, Germany and Italy were colonizing Africa, all of Europe was rediscovering what the Greeks had known: A political space can be viable and lasting only if it is the venue for the twilight of idols and symbols. The notion of the republic was reborn as a consequence of this rediscovery. The lay statements by the heirs of the Enlightenment have no other meaning. Here is one of history's ironies: What the Enlightenment and the Napoleonic system of laws were able to promote in Europe they were never able to establish in other parts of the world. There the grafting that Voltaire's and Rousseau's descendents and Napoleonic jurists intended to carry out was not even the semblance of a true transformation. The [old] orders of ancestral names and of African symbols or gods were not relegated to the trash heap because some adventurers or zealous priests burned or pillaged some masks or statues. Quite the contrary: The immense problems of

political and economic communication facing Africa clearly show that the capitalist order of signs has been established in neither Kinshasa nor Dakar. At his deluded parades, Mobutu has not stopped exhibiting a cane that is supposed to be an emblem of power. Elsewhere, and under other circumstances, pseudo-sorcerers and charlatans have become the recognized advisers to several heads of state.

Africa did not get off to a "bad start" because its ethnic groups are tearing one another apart. It did not get off to a bad start because colonialism is supposed to have left it weak and defenseless. There has been no break in the continent's recent history, since living with politics and experimenting with it have never been attempted there. Indeed it is laughable and dangerous to talk about "African politics." Doing so means bailing out the Africanist's illusion. If we apply a methodology used by Husserl, we should institute a temporary discontinuation (*epoche*) or turn into parenthetical observations a goodly number of false problems and false antitheses that Africanism has propagated. The most aberrant of these pseudo-oppositions applies to the gap that is supposed to exist in Africa between tradition and modernity. Africanists have proved themselves incapable of assimilating the basic teachings of an archeology of modernity.

In fact, there are in Africa poles of power that are more reactionary than the defenders of tradition. Africa has not produced a capitalist ethic that systematically grants a special place to an individual's relationship to God. To establish or admit a capitalist ethic, a certain vision of the hereafter and of death is required, as is a certain conception of labor. In the West, Rome and Jerusalem, then someone named Luther (/a single faith/) gave impetus to both. There was no accumulation of capital and no emergence of industrial capitalism without a certain theology. Experts in the field of development would do well to take note. In Africa, the living and the dead cohabit constantly. Everything is the product of an ancestral liturgy. The laws of the capitalist marketplace can only be things to be rejected. No thing is public since the borders of public, visible space are uncertain and imprecise.

Whatever the governments may be that succeed one another in the countries of Africa, these facts seem immutable. When he rose to power in mid-September 1981, General Andre Kolingba of the Central African Republic stated that he wanted to establish the rule of law in Bangui. In November 1986 he got approval, through a referendum, for a constitution based on the constitutional texts of the United States and the constitution of...the Fifth French Republic. Then there occurred an unbelievable power play: This new mechanism established a single party state in the Central African Republic and made Kolingba the absolute "guarantor of party and national unity" (/sic/). What has really changed in Bangui since Bokassa was kicked out? Nothing. The patronage system, the narrow-minded ceremonies, and the cycle of violence and revenge have hardly been abolished. A comparative study of the practices of the Central African state and those of other

states on the continent reveals that their existence is characterized by the following traits:

- One party with absolute prerogatives has been established that attempts to found a nonexistent nation (the precolonial nations having in large part been decapitated by the colonizers);
- By so doing, the government party excludes any possibility of a political space being formed;
- Villages are despoiled and the agrarian issue is dissolved;
- The state takes on largely symbolic duties. The rest of the time, it is a predator.

Inescapably, these facts help eradicate all opposition. Sadly, the list of failures and enforced irrelevancies of Africa's opposition forces is a long one. As early as the 70's, most of Patrice Lumumba's former friends or allies had begun making their way back to the Mobutu regime. Doubtless bored by the anguish of his Parisian exile, the

Ivorian Laurent Gbagbo at long last went back to Abidjan: In the Old country, heterogeneity is inconceivable; in the name of "dialogue" and in accordance with a consummate ritual, the government insists on welcoming and sheltering any possible opponent; any thoughts of another way of doing things are voided. In May 1989, Abbot Paul Mba Abessole literally scuttled the Gabonese opposition when he went to Libreville's Renewal Hall for talks with President Omar Bongo. As MORENA's (National Recovery Movement) leader for the past few years, Mba Abessole has not attempted to innovate. His disappointments and then his reversal were conditioned and determined by Africa's structures of space and time; his movement's program has been ruined by these structures. The dying out of Africa's opposition forces leads one to think that the continent will change only when certain types of social bonds and certain subconscious complexes have been shaken up. Then we shall witness a bewildering and exciting series of events.

Central African Republic**Foreign Minister Leaves for Chad 16 Sep***AB1709205389 Bangui Domestic Service in French
1800 GMT 17 Sep 89*

[Text] Michel Gbezera-Bria, the minister of foreign affairs, left Bangui last night for Ndjamená where he will attend the 11th session of the Central African Republic-Chad joint commission. Issues on the meeting's agenda include, in particular: the problem of (?displaced) persons; relations of good-neighborliness; and economic, trade, cultural, scientific, and technical relations. The minister of foreign affairs, who is accompanied by Kisal Bernard, the roving ambassador at the Foreign Ministry, carries a message from His Excellency General André Kolingba, president of the Republic and head of state and founding chairman of the Central African Democratic Rally, to his Chadian counterpart, President Hissein Habré.

Chad**Information Minister Arrives in Tripoli 14 Sep***AB1609062589 Ndjamená Domestic Service in French
1900 GMT 15 Sep 89*

[Text] Adoum Moussa Seif, minister of information and civic orientation, arrived in Tripoli, Libya, yesterday. On his arrival in the Libyan capital, the minister told newsmen that his visit to Libya was aimed at strengthening the bonds of friendship and cooperation between the two neighboring countries. It may be recalled that on 31 August Chad and Libya, in Algiers, signed a global agreement expected to help settle their border dispute peacefully. Also, a high-ranking Chadian delegation attended the festivities marking the 20th anniversary of the Libyan revolution.

Joint Commission With CAR Opens 17 Sep*AB1709210889 Ndjamená Domestic Service in French
1900 GMT 17 Sep 89*

[Excerpt] This afternoon, the Chad-Central African Republic [CAR] joint commission began a 4-day meeting at the Ministry of External Relations. During the meeting, CAR and Chadian experts will examine the state of relations between the two countries. The official opening was held in the presence of Acheikh Ibn Oumar, the Chadian

external relations minister, and Michel Gbezera-Bria, the CAR foreign minister. [passage omitted]

Gabon**Bongo Returns 14 Sep After 3-Country Visit***AB1509101589 Libreville Africa No 1 in French
0730 GMT 15 Sep 89*

[Text] The Gabonese head of state yesterday afternoon returned to Libreville after a 2-week trip which took him to Libya, Yugoslavia, and Italy. President Bongo described as quite normal the return to Namibia of the chairman of the South-West African People's Organization. The Gabonese head of state further stated that as a member of the group of eight central and southern African heads of state, he was prepared to participate in the Angolan peace summit due to be held on 18 September in Kinshasa, Zaire.

Satisfaction Declared With Deficit Decrease*AB1409142589 Libreville Africa No 1 in French
1230 GMT 14 Sep 89*

[Excerpt] Gabon is satisfied with its balance of payments. The committee on external balance of payments met yesterday in Libreville, the Gabonese capital, and declared its satisfaction with the noticeable reduction in the deficit in 1988 after a 4-billion-CFA-franc deficit in 1987. The reduction amounts to 600 million CFA francs this year. The deficit would have been huge without the rescheduling of Gabon's external debts. In view of this reduction should we expect a revamping of the Gabonese economy? Here is the answer given by (Alexis Mbouibouchi), president of the Economic and Social Council and chairman of the committee on external balance of payments, to our reporter Jean Valere Mbinamanza:

[Begin (Mbouibouchi) recording] The first thing to be done to revamp Gabon's economy is to publish a statement on the deficit. The overall measures that will be taken will enable us, year after year, to publish this statement. As I said, Gabon's economic potential is intact, not only in regard to natural resources but also in regard to the social and economic fields. If the economic environment, the market prospects, external purchases, and the selling prices of our raw materials change on the international level, then Gabon will easily return to its situation as a country with a growing economy and an open market. [passage omitted] [end recording]

Ethiopia

Several Points 'Agreed on' at Atlanta Talks

EA1509211589 (Clandestine) Voice of the Broad Masses of Eritrea in Amharic 1630 GMT 15 Sep 89

[Text] The peace talks between the representatives of the Eritrean People's Liberation Front and the Dergue in Atlanta, USA, continued for the 8th day yesterday. The two sides have so far agreed on several points. The talks will also continue today.

Eritrean Radio Reports Details

EA1709191589 (Clandestine) Voice of the Broad Masses of Eritrea in Tigrinya 1500 GMT 17 Sep 89

[Text] The details of the issues on which the Eritrean People's Liberation Front and the Ethiopian Government have agreed during their talks in Atlanta have been disclosed. Some of these issues are as follows:

1. The procedure that each side should follow in giving information to the mass media during and at the end of the talks.
2. On the language to be used during the talks: Each side can use Arabic, Amharic, or any other language it chooses. All will be translated into the official language of the talks, that is, English.
3. All the discussion will be recorded on tape and at the end of each day or contact each side will be provided with a written transcript and with cassettes. Each side can use them as required and there will be an official record.
4. It was agreed that the following towns could provide the venue for the main talks. They are: Khartoum, Sudan; Cairo, Egypt; Nairobi, Kenya; Sanaa, North Yemen; Arusha, Tanzania; and Harare, Zimbabwe.
5. The procedure for chairing the talks should follow that used by international and regional organizations.
6. The number of delegates on each side taking part in the main talks should be not more than 12 and should be known in advance.

These are the points on which agreement has been reached so far.

The following are the issues on which agreement has not yet been reached.

1. Who should be the chairmen of the main talks?
2. Who will be the secretary at the talks and what role is he to perform?
3. Who will be the observers during the talks and what role are they to perform?

The Atlanta talks will resume 19 September for discussions on these differences and will try to reach agreement.

Government Delegation Head Interviewed

EA1609162489 Addis Ababa Domestic Service in Amharic 1800 GMT 15 Sep 89

[Text] The preliminary talks on procedural matters between the Ethiopian Government and the opposition group in Atlanta, Georgia, USA, continued today. Getachew Haile Mariam has sent us the following report from the Carter Center:

[Begin recording] [Getachew] Today, on the 9th day of the preliminary talks at the Carter Center in Atlanta, Georgia, both sides continued discussions on procedural matters which will lay the foundations for the subsequent main talks. The talks, which opened last week, had not been expected to last this long and so I spoke to the leader of the Ethiopian delegation, Comrade Ashagre Yigletu, this morning.

Comrade Ashagre, today, 15 September, marks the 9th day of the Atlanta talks. As these talks on procedural matters are a springboard for the main talks, don't you feel they have been dragging on?

[Ashagre] As stated, the talks opened last week; that's over 8 days ago. Basically, if understanding had not been reached over some issues, perhaps the talks would have been wound up in the first few days. However, agreement was reached over various issues on the agenda and the talks were prolonged. Also a reason for prolonging them is that both sides wanted to conclude the preliminary talks at one (?go), and in particular, because it was not possible to (?present) easily the differences of opinion on some major issues. In any case, what should be made clear here is that it is not that easy to discuss and reach an understanding or decisions on such (?knotty) issues in a short time. So the fact that it has taken this many days should not be very surprising.

[Getachew] You said that agreement had been reached on some issues. Can you elaborate on these for us?

[Ashagre] Well, it may not be useful or necessary to go into detail before the meeting ends. It is known that when the meeting opened it was (?agreed) to hold discussions on 13 issues concerning the agenda and, so far, a common understanding has been reached on all of these except for 3 main points. One of the issues we agreed upon concerns publicity or the issuing of statements and the (?basic) agreement is that it is unnecessary to give detailed statements on issues over which there has been agreement or disagreement. Whatever the case, the points we have agreed upon are procedural ones in general and will prepare the ground for the main talks. As I explained earlier there are three main points. I do not think that it will be possible to reach an understanding or narrow the differences on these points today. In fact, President Carter will leave for Nicaragua at the

weekend. However, as he will return on Monday, the talks might continue if there is still hope that our differences on these three issues will be resolved through further talks. If not, if both sides agree to postpone these issues, the talks might wind up today. [end recording]

EPLF Leader on 'Direct Talks'

EA1509095089 (Clandestine) Voice of the Broad Masses of Eritrea in Amharic 1630 GMT 14 Sep 89

[Text] Comrade Isayas Afeworki, secretary general of the Eritrean People's Liberation Front [EPLF] says that Colonel Mengistu Haile Mariam's statement the day before yesterday about the Atlanta peace talks between the EPLF and representatives of the Dergue government was intended to discredit the EPLF. Comrade Isayas said the colonel hoped that he would be supported by the people gathered in the square as he made the EPLF appear responsible for a failure of the talks. In his speech marking the 15th anniversary of his accession to power, he claimed: According to information we have received from Atlanta, our opponents have not shown any desire for peace. Soon it will be clear to Ethiopians and the international community who stands for peace and who stands for destruction.

In his interview with BBC radio yesterday, Comrade Isayas Afeworki said that the colonel had made the mistake of deciding to mislead the people and incite them against the EPLF. In the event, his statement completely demoralized the people gathered in the square. Comrade Isayas also said that if there are issues that cannot be

resolved in the current discussions, the EPLF will do all it can to resolve them through direct talks.

Tigray Rebels Claim 148 Killed in Air Raid

EA1709163189 (Clandestine) Voice of the Tigray Revolution in Tigrinya to Ethiopia 0445 GMT 17 Sep 89

[Excerpts] The anti-peace Workers Party of Ethiopia [WPE] system, which hypocritically talks about peace, is in practice committing anti-peace acts through its persistent barbarous violence. On 9 September, the fascist WPE conducted an air raid on people who gathered during market day in Chercher District, Raya zone. In the fascist air raid, conducted by Soviet-made MiG-23 fighter aircraft, 148 innocent compatriots were killed and over 1,000 wounded. In addition, 21 houses and property estimated to be worth 3,500 birr were burned while 127 other houses were destroyed. [passage omitted]

On the same day, the fascist WPE also carried out an air raid at (Gerarisa) station in (Mekoni) District, leaving 12 compatriots either killed or wounded. [passage omitted] In addition, 19 houses and their contents and 9 (?silos) of grain were burned. [passage omitted]

Trade Agreement Signed With Cuba

EA1609210889 Addis Ababa in Amharic to Neighboring Countries 1600 GMT 16 Sep 89

[Summary] Ethiopia and Cuba signed a trade agreement this week. The agreement, which was signed in Havana, is worth 125 million birr. Under the agreement, which will last from 1990 to 1994, Ethiopia will export red (?haricot beans) and import metal construction materials from Cuba in return.

De Klerk Names New Cabinet 16 Sep

*MB1609191089 Johannesburg SAPA in English
1903 GMT 16 Sep 89*

[Text] Pretoria Sept 16 SAPA—The state president-elect, Mr F.W. de Klerk, announced his cabinet and members of the ministers council of the House of Assembly today.

The official list of members of the new cabinet as supplied by the Bureau for Information, is as follows:

Mr R.F. Botha: minister of foreign affairs.

Dr G. van N. Viljoen: minister of constitutional development

and of national education.

Gen M.A. Malan: minister of defence.

Dr D.J. de Villiers: minister of mineral and energy affairs

and public enterprises.

Mr H.J. Coetsee: minister of justice.

Mr B.J. du Plessis: minister of finance.

Mr E.V.D.M. Louw: minister of manpower.

Mr A.J. Vlok: minister of law and order

Mr G.J. Kotze: minister of environment affairs and of water affairs.

Dr C.J. van der Merwe: minister of education and of development aid.

Mr E. Louw: minister of home affairs.

Mr K.D.S. Durr: minister of trade and industry and tourism.

Mr G.S. Bartlett: minister of transport and of public works and land affairs.

Mr H.J. Kriel: minister of planning and provincial affairs.

Dr E.H. Venter: minister of national health and population development.

Mr J. de Villiers: minister of agriculture.

Dr W.J. de Villiers: minister for administration and privatisation.

The ministers' council of the House of Assembly is as follows:

Mr H.J. Coetsee: chairman of the ministers' council.

Mr A.A. Venter: minister of the budget and local government.

Mr P.J. Clase: minister of education and culture.

Mr S.J. de Beer: minister of health services, welfare and housing.

Dr A.I. van Niekerk: minister of agriculture and water supply.

The deputy ministers are as follows:

Mr R.P. Meyer: deputy minister of constitutional development and of national education.

Dr G. Marais: deputy minister of finance.

Mr W.N. Breytenbach: deputy minister of defence.

Mr J.A. van Wyk: deputy minister of water affairs and land affairs.

Dr T.G. Alant: deputy minister of trade and industry.

Mr L. Wessels: deputy minister of foreign affairs.

Mr A. Fourie: deputy minister of planning and provincial affairs.

Dr P.J. Welgemoed: deputy minister of mineral and energy

affairs and public enterprises.

Mr P.A. Schutte: deputy minister of justice.

Mr P.G. Marais: deputy minister of education and of development aid.

Mr de Klerk said there would no longer be a minister of information. The Bureau for Information will in due course be transformed into a "smaller and more professional communication service which would provisionally report directly to the state president.

"It is planned that the service's most important function will henceforth be the improvement of communication between the government and the public.

"The functions which have thus far been performed by the minister of information with regard to broadcasting and the film industry, will henceforth be carried out by the minister of home affairs.

"The national intelligence service will also fall under the direct control of the state president.

"Dr G. van Viljoen's functions as minister of constitutional development will be confined to broad constitutional development and negotiations in this regard and will exclude all functions which are not connected with this.

"The objective is to free Dr Viljoen's hands to the greatest possible extent to enable him to concentrate on dialogue, negotiation and the promotion of a new constitutional dispensation.

"This part of Dr Viljoen's activities will take place in the closest cooperation and interaction with the state president.

"The minister of education and of development aid will also control the Department of Education and Training."

In connection with this, the following line functions will be added to the Department of Development Aid:

- constitutional development of the self-governing territories,
- the commission for cooperation and development and its secretariat,
- legal services with regard to the self-governing territories,
- commissioners-general

Mr de Klerk said the new Ministry of Mineral and Energy Affairs and Public Enterprises included control over the Department of Mineral and Energy Affairs, South African Transport Services, the Department of Posts and Telecommunications, ESKOM [Electricity Supply Commission], FOSKOR [phosphate corporation] and ISCOR [South African Iron and Steel Corporation].

"Many of the activities which fall under these departments and institutions are presently enjoying urgent attention with a view to restructuring and, where appropriate, privatisation."

The Board for Decentralisation of Industry will fall under the Department of Trade and Industry.

"In consideration of this and of the abovementioned functions which have been added to the Department of Development Aid, the Ministry of Planning and Provincial Affairs will be left with the main functions of physical planning, local government—in so far as this does not fall under the own affairs administrations—and overall control and policy coordination with regard to provincial matters."

The Ministry of Transport and of Public Works and Land Affairs includes the present Department of Transport which has always been autonomous and separate from the South African Transport Services.

The minister for administration and privatisation with the full authority of the state president, will handle the ministerial activities connected with the commission for administration.

"Furthermore, general policy formulation and coordination with regard to privatisation and deregulation will fall under him.

"A special assignment of Dr W.J. de Villiers will be to develop, in the closest cooperation with all cabinet

ministers involved with economic portfolios, improved systems for coordination, monitoring and financial management.

"Deputy Minister D.M. Streicher, has, as a result of business and personal reasons, requested not to be considered for any post in the executive authority. He will continue to serve as a member of Parliament."

Mr de Klerk announced that it was his intention to appoint the following people as members of Parliament in terms of Article 41(B) of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983):

Cape Province: Mr A. van Breda.

Natal: Mr D.P.A. Schutte.

Orange Free State: Dr W.A. Odendaal.

Transvaal: Dr W.J. de Villiers.

With regard to the composition of the ministers councils of the House of Representatives and the House of Delegates Mr de Klerk said he was still in the process of consulting with the political leaders in those houses and announcements would be made later.

"The fact that there are no members of the abovementioned two houses who have been taken into the cabinet or who have been appointed as deputy ministers for general affairs, follows consultations with the important political leaders in the two houses."

He said the size of the cabinet was the same as it was at the beginning of 1989. The number of deputy ministers has been reduced from 14 to 10.

"In due course, I plan to make certain announcements with regard to the President's Council."

He announced that Dr W.A. van Niekerk and Mr J.H. Heyns will be National Party's candidates respectively for the chairmanship and deputy chairmanship of the President's Council.

"I should like to convey the government's sincere thanks to all ministers and deputy ministers who will be retiring shortly for their competent and loyal service during the past years.

"The same applies to the present chairman and deputy chairman of the President's Council," Mr de Klerk said.

De Klerk Discusses Appointments

MB1809094889 Johannesburg Television Service
in Afrikaans 1800 GMT 17 Sep 89

[Interview with South African President-elect F.W. de Klerk by Clarence Keyter; date and place not given; from the "Netwerk" program—video recorded]

[Text] [Keyter] Mr de Klerk, why the unusual, unexpected announcement of the cabinet before your official inauguration next Wednesday [20 Sep]?

[De Klerk] This is the first time this situation has developed under the new Constitution.

I realized after consulting my senior colleagues that it was not in the interest of the country, or the involved individuals, that speculation should continue for the next 10 days. This one is accepted here, and that one taken out there.

I decided to announce the team after it became clear to me which team I would like to appoint after my inauguration. It ends speculation and gives everyone a chance to prepare so we can begin work immediately after the inauguration.

[Keyter] Is it fair to say that, with the distribution of portfolios as announced, you want to do more with less people in the next 5 years?

[De Klerk] Yes, there is a fair reduction, if you look at the total number on the team we appointed to the House of Assembly and to the cabinet. Four posts were removed.

I also think the burden is reasonably spread. If one looks at the composition of the portfolios, opportunities have been created for those who must be very creative in their work, constitutional development as an example, so as not to be hindered by wasting administrative work time.

[Keyter] Does that hold true for those with negotiating responsibilities?

[De Klerk] Yes, Dr Gerrit Viljoen will be responsible for negotiations. He will work closely with other ministers who are also involved in black affairs and constitutional affairs, but, I also expect, and we have decided, that Dr Viljoen will work closely with me as well, as state president.

[Keyter] What about assembling the State Security Council?

[De Klerk] No, there is no talk about that at this stage. The State Security Council is a statutory council, and its assembly is basically determined by the law.

[Keyter] Mr de Klerk, what about the role of the President's Council?

[De Klerk] The President's Council? I have just announced our candidates for the chairmanship and deputy chairmanship; we are thinking about the matter.

As you know, the President's Council released a report on essential reforms concerning the President's Council. We are busy studying the report, and I will most probably have more details before the end of this week about specific points of view, which I will announce, especially if we make decisions during the course of the week. I have arranged a special cabinet meeting, and we will look at this.

If we make any decisions that may influence the decisions of those people who would like to make themselves

available for the President's Council, then I think it is only fair that they know how we see the facts for the next year or 5 years.

[Keyter] Mr de Klerk, you will be sworn in on Wednesday as South Africa's second executive state president. You have said in the past that urgent attention would be paid to the powers of the state president. Can we expect something on this immediately?

[De Klerk] I am absolutely convinced that in the process of constitutional reform, one of the significant facets to be viewed is precisely the powers of the state president. I don't think this can be done in isolation, and therefore from the beginning it will be part of planning, discussion, dialogue, and negotiation. Unilateral and sudden changes would not be made in this respect, but this would also be the result of thorough thinking and very broad discussion before we could go into real action.

[Keyter] Mr de Klerk, thank you very much.

[De Klerk] Thank you very much.

Cabinet Members Discuss Duties

MB1709173089 Johannesburg Domestic Service
in English 1600 GMT 17 Sep 89

[Text] The state president-elect, Mr F.W. de Klerk, says he decided to announce the names of the members of his cabinet to stop speculation about who may have been in the cabinet.

Mr de Klerk said in an interview with the SABC [South African Broadcasting Corporation] that it gave ministers the opportunity to prepare themselves so that they could get down to work immediately after being sworn in.

Commenting on possible changes to the powers of the executive president, Mr de Klerk said this would be considered during constitutional reform. He said changes would not be made unilaterally or in a hurry but after negotiation and planning.

Mr de Klerk said the government would present its point of view on the report by the President's Council on changes to its composition before the end of the week. He said it was only fair that people considering whether they should make themselves available to serve on the council should know how the government viewed the next few years.

The designated minister of constitutional development and planning and of national education, Dr Gerrit Viljoen, says he hopes that the political leaders of black communities, in particular, will come to the fore in the climate of renewal to take part in the bargaining process to solve problems.

Dr Viljoen said in response to having been appointed as the minister responsible for two portfolios that the climate of renewal had been created by Mr de Klerk. He said that, as far as the close cooperation between himself and Mr de Klerk was concerned, it would be important

for the state president to provide leadership when far-reaching decisions needed to be taken.

Dr Viljoen said that Mr de Klerk would appoint a cabinet task group of ministers whose portfolios were directly or indirectly involved in negotiations to help them plan the broad strokes of what needed to be done.

The designated minister of national health and population development, Dr Rina Venter, said of her being the first woman to serve on the cabinet that her gender should not be the focus of attention. Dr Venter said cabinet members had to show that they were able to do the job and that she saw her appointment as a challenge. She said that, although women often had a different perspective on matters, this did not mean they showed a lack of thoroughness in their judgment.

Mr Jacob de Villiers, who has been designated the minister of agriculture, says he would try to create a climate for the country's farmers that will favor the development of agriculture. He said that, first, he would have to determine which matters needed immediate attention.

De Klerk 'Intent' on Talks

*MB1609224989 Johannesburg SAPA in English
2116 GMT 16 Sep 89*

[By Ken Daniels]

[Text] Johannesburg Sept 16 SAPA—Mr F.W. de Klerk's new cabinet announced today showed the president-elect was intent on getting the negotiations process going again and bringing about tighter control on government spending.

There were few political shocks when Mr de Klerk named his cabinet. It is clear he will place more emphasis on financial stringency by bringing in people with proven economic management skills.

The inclusion in the cabinet of Dr Wim de Villiers, an expert in the field of management and productivity and a key adviser to the government on the privatisation of government departments, is an indication that Mr de Klerk will proceed with plans of privatisation.

In addition Mr de Klerk has given Dr de Villiers, as minister of administration and privatisation, the special assignment of bringing about improved co-ordination, monitoring and financial management in the co-operation with all other ministers with economic portfolios.

Mr de Klerk will attempt to get the negotiation process, which has stagnated in recent years, back on the road by entrusting the key portfolio of constitutional development to his longstanding colleague, Dr Gerrit Viljoen. The former minister of education and development aid's task will be confined to "broad constitutional development and negotiations."

Mr de Klerk has removed all other functions such as the administration of the group areas act and the consolidation of homelands from Viljoen's department to free him to concentrate on dialogue and negotiation. His duties would be performed in close co-operation with the office of the state president.

The promotion of Mr Kobie Coetsee to chairman of the ministers council is seen as a reward for the [Orange] Free State leader of the NP's [National Party] support for Mr de Klerk in his clash with the former state president, Mr P.W. Botha.

The new cabinet also includes a woman for the first time by the appointment of doctor in social sciences, Dr Rina Venter as minister of national health and population development.

The former administrator of the Cape, Mr Gene Louw who was appointed minister of constitutional development and planning by Mr P.W. Botha after Mr Chris Heunis retired suddenly at the end of the last parliamentary session, has been given the home affairs portfolio vacated by Mr Stoffel Botha.

The only other surprise appointment was that of farmer and businessman, Mr Jacob de Villiers, to the minister of agriculture in the cabinet.

Mr de Villiers is a newcomer to parliamentary politics only having been elected an MP by the indirect procedure this week. He was promoted above Dr Kraai van Niekerk who was tipped for the post but has remained the own affairs minister of agriculture in the House of Assembly.

UNITA 'Friendship and Contact' To Continue

*MB1609054489 Johannesburg SAPA in English
0203 GMT 16 Sep 89*

[Text] Bethlehem Sept 16 SAPA—South Africa would continue its friendship and contact with UNITA's [National Union for the Total Independence of Angola] president, Dr Jonas Savimbi, the minister of defence, Gen Magnus Malan, said today (Saturday).

Unveiling a founder's memorial at Bethlehem, he said this was known to the Angolans, the Americans and African states.

"South African and UNITA forces fought together in battles—and won fantastically—and we make no secret of our contact and friendship," Gen Malan said.

Contact was being maintained because it was important that a settlement be reached between Angola's warring factions.

"We know we have a positive role to play in this regard, and our role is being recognised."

South Africa similarly wished for a settlement in Mozambique, because this would be to the advantage of the southern African region and South Africa.

Southern African countries were linked in such a way that cooperation and exchanges were imperative.

The exportation of revolutionary activities from neighbouring states to South Africa was unacceptable and rejectable.

"South Africa therefore reserves the right, like any self-respecting country, to counter such activities, even if circumstances require us to cross our border to take action against terrorists who hide in other countries," Gen Malan said.

South Africa was however committed to non-interference in the internal affairs of other states.

He added, "however, we stand firm that our policy of non-interference in their affairs should also be strictly adhered to by them."

15 Sep Press Review on Current Problems, Issues
MB1509112589

[Editorial Report]

THE CITIZEN

'Faith' in De Klerk Aim of 'New' South Africa—"You have to hand it to the State President-elect, Mr F.W. de Klerk. He has talked reform to the point that the words 'new South Africa' have become a litany of hope," says the page 6 editorial in Johannesburg **THE CITIZEN** in English on 15 September. De Klerk "has still to have talks about talks and there is no guarantee that he will get moderate Black leaders to the negotiation table soon, never mind the ANC [African National Congress]. All in all, we'd say we are still very far from a settlement, but we have faith in Mr de Klerk's ability to reach his goal of a new South Africa, but it is a new South Africa that must be born in peace."

THE STAR

Reform Pace 'Gauge' of De Klerk Commitment—"The fact that marches are breaking out all over should not unduly disturb State President-elect de Klerk and his Government," remarks a page 10 editorial in Johannesburg **THE STAR** in English on 15 September. "When a safety valve is released, steam escapes." "Certainly, the complete absence of uniformed policemen in Cape Town evoked an admiring foreign comment that such a phenomenon would be unusual in the most stable of Western countries. Yet it is important too for marchers to remember that their licence is to exercise freedom, not abuse it." "As long as discrimination is enforced, protests will occur. Mr de Klerk's real test will be to move fast enough with reform to make political demonstrations obsolete. In the end, that—and not mere tolerance—will be the true gauge of his commitment to a just society." **Onus on De Klerk To Produce Initiative**—A second editorial on the same page notes that De Klerk has "made an impressive start. He has uttered sentiments which should win general favour and he handled

the protest march crisis in Cape Town this week with assurance and aplomb." De Klerk makes "the good point that the achievement of a new dispensation by peaceful means can be accomplished only with the co-operation of responsible leaders. But the onus is first on him to produce the initiative leading to negotiation. Then it is up to leaders of other communities to respond constructively."

BUSINESS DAY

De Klerk Must Play 'Different Kind of Politics'—Johannesburg **BUSINESS DAY** in English on 15 September says in a page 12 editorial: "All is sweetness and light after the peaceful march in Cape Town but it would be incredibly naive to think that a single mass demonstration, sensibly handled by authorities and police, resolves anything at all." **BUSINESS DAY** believes "it is essential to let the process play itself out, resorting to patient negotiation to try to avert the danger." "If President de Klerk is really determined to change the political climate, he must learn (or at least teach his government and the civil service) to play a different kind of politics. It's not easy; it can't be done by diktat; one gets no thanks from one's opponents, and free credit; but it can be done." "If President de Klerk hopes to win this battle of wits, he had better decide quickly against defending such lost causes as separate beaches, segregated buses, or hospitals for the lightly pigmented."

SOWETAN

Editorial on Nujoma Arrival—Johannesburg **SOWETAN** in English on 15 September in its page 6 editorial says South-West Africa People's Organization (SWAPO) leader Sam Nujoma's return to Namibia "will give a new impetus to the implementation of the United Nation's Resolution 435." However, the paper also warns the "message scribbled on a wall in Windhoek reading: 'We are waiting for murderer Nujoma' cannot be taken as a joke. Namibia has paid very heavily for its independence." "But today, there seems to be every reason we should be fearing for the future of the baby that is yet to be born. The challenge facing the South African Government is to do everything in its power to ensure that there is no upsurge of violence." **De Klerk Must Create Climate for Negotiations**—Joe Thloloe writes in his "Perspective" column on page 7 "De Klerk should not be appealing 'to those involved [in protests] to encourage their leaders to come to the negotiation table,' he should be creating the climate for such negotiations to take place. He should be calling for a ceasefire binding on both sides and he should stop prescribing the outcome of the negotiations. (The National Party's Five-Year Plan is such a prescription.)"

THE WEEKLY MAIL

Poll Results To Increase Pressure on NP—Steven Friedman writes in his "Worm's Eye" column on page 14 of Johannesburg **THE WEEKLY MAIL** in English for 15-21 September the "poll result will increase pressure on the Nats from all sides" and "the most immediate

pressure will come from abroad." "Despite rhetoric claiming that the polls were irrelevant, the results will have convinced extra-parliamentary groups that they have more freedom in which to operate. And, by declaring that the poll results are a mandate for reform, De Klerk has increased black expectations and ensured that he will be under far greater pressure to deliver on them." "The election has increased possibilities for change but it has not assured an uninterrupted march towards apartheid's death. If the next few years lead to a sharp economic decline or far greater instability, there is a real prospect of a reversion to the right which might set change back for years. In sum, the election has strengthened potential for anti-apartheid strategies which recognise current political realities—and the dangers of those which don't."

CAPE TIMES

Voters 'Angry' With NP—"Angry voters" in this last election "have served notice on the Nationalist government that it has at most five more years in power unless it starts delivering the goods," notes a page 6 editorial in Cape Town CAPE TIMES in English on 8 September. "If recognised in the right quarters, that message should put an end to the vacillation in leadership that has brought this country to the brink of disaster." The "Nationalists have considered themselves to have a lien on government for so long that the new awareness of political mortality will require major adjustments in approach and policy." **Government Unable To Govern Without Force**—"The frustration both of those totally excluded from the political process and those in it but who, because of their colour, abstained from Wednesday's election on the grounds of the tricameral system's in-built white domination, is wholly understandable," says a second editorial on the same page. "That their resort to peaceful protest, as an alternative form of political expression, should be so brutally repressed, is once again overwhelming evidence of the government's inability to govern without force." **Civil Disobedience 'Healthy' Influence on Many Whites**—Gerald Shaw writes in his "Political Survey" column on the same page the fact that the "Nationalists suffered their worst reverse at the polls since 1948" is "surely the best, most hopeful and most encouraging thing that has happened to this country and its people since World War II." "The tyranny which this country has suffered at the hands of an arrogant executive government which has misused the security arm of the state to crush legitimate dissent has been strongly, if not yet decisively, checked at the ballot box." "Against all expectations, it seems that the campaign of civil disobedience has had a healthy influence on the attitudes of many whites, rather than the contrary, and has brought home to them the depth and intensity of black resentment of an oppressive system. Everybody respects moral courage—and the kind of physical courage that is prepared to face whips and batons for the sake of conscience. Yet doubts remain. In South African conditions, passive resistance may provoke a vicious reaction from sections of the whites and retard rather than advance the movement ahead."

TRANSVALER

Criticism of Overseas 'Interference'—"We have costly experience of improper and unrealistic overseas interference with South African issues," says a page 8 editorial in Johannesburg TRANSVALER in Afrikaans on 12 September. "What makes it so irritating is that familiar pressure groups with subjective interests are interfering. Among them are the Ted Kennedys and the Howard Wolfes of the United States." The election is hardly over and "this old game is already being played. From all directions, but especially from the familiar United States quarters, instructions are being sent: reform quickly, or else...We all know what that means: sanctions, boycotts, and the coordination of all powers and forces for the destruction of South Africa. These people see De Klerk's task so simplistically, that they believe he can bring about a new dispensation that satisfies all with the mere wave of his hand."

DIE BURGER

Mass Movement Protest Promotes Confrontation—"It becomes clearer by the day that the aims of the so-called Mass Democratic Movement (MDM) with its protest campaign go much further than the aims originally put forward," says Cape Town DIE BURGER in Afrikaans on 12 September in a page 12 editorial. "According to the MDM's public declarations the aim was to protest peacefully against the general election, but the election is over and the protests continue. The increasing death toll is also proof the MDM's behavior contributes directly toward creating an atmosphere that promotes confrontation."

BEELD

Foreign Representatives' Participation in Marches—Johannesburg BEELD in Afrikaans on 13 September in a page 10 editorial says it is "surprised" that ambassadors and consuls from countries abroad "allow themselves to be called upon by Archbishop Tutu and Dr Boesak to act as 'monitors' during the proposed protest march in Cape Town." "No one denies a diplomat the right to experience things firsthand and to report back to his government. But when a foreign representative is actively involved in protest action, he is overstepping the limit of the host country's hospitality. Even South Africans who have serious doubts about the way action is taken against protesters cannot approve this. This is not tolerated anywhere else in the world."

* Editor Speculates on Limits of Power

34010054 Cape Town DIE SUID-AFRIKAAN
in Afrikaans Jun/Jul 89 p 3

[Editorial by Hermann Giliomee: "The Limits of Power"]

[Text] "The season of violence has passed," Pik Botha declared on British television during his recent meeting with Margaret Thatcher. South African diplomats abroad are saying that the state of emergency is going to

be lifted right after the general elections. Reliable sources report that Nelson Mandela has given assurances that once he has been released he intends to do something that will prevent another outbreak of violence.

For the present one must be cautiously skeptical about the possibility of lasting peace. After all, it cannot be that the domestic violence of 1984-86 and the destabilizing actions in neighboring countries arose out of a simple misunderstanding. In the townships you will still find the same explosive grievances. In the security apparatus you will still find people who believe that order can be preserved only by massive repression, by intimidation, and by eliminating all forms of resistance.

It is a constant pattern in politics that after war or civil disturbances civilian politicians have a difficult time winning power and the initiative back from the securocrats. This was recently stressed by Harvard University's Samuel Huntington, one of the world's greatest experts on revolution and counterinsurgency in developing countries. After a visit to South Africa in 1986 he warned in *DIE SUID-AFRIKAAN* (No 8): "After governments have gone through a period of intensive repression in which they increase the power, the functions, and the entire role of their security agencies, they often end up becoming prisoners of these agencies!"

Time will tell, however, whether a new chief of state will be able to return to proper cabinet control the authority and functions that have been shifted to the State Security Council. It was interesting to learn that during President Botha's illness the cabinet, at the suggestion of F. W. de Klerk, decided not to accept responsibility for Security Council decisions or for the execution of such decisions about which the cabinet had not been fully informed.

It would be wrong to lay all irregular responses at the door of the "securocrats," as if everybody in the so-called Security Family thought and acted the same way. There is clearly a section, probably within the Defense Force, which—with quiet approval from the highest levels of the government—starts certain things that cause the rest of the securocrats great dismay. In this connection, people mention actions like the release of Charles Sebe from the Ciskei prison and the support to Renamo, which reliable testimony indicates is really still continuing. The case of "diplomat" Storm could also be cited.

It is impossible to say that the season of violence is over until politicians with a vision of peace rule this country. It is not that the military prefer to fight; it is not that in executing an assignment they act the way soldiers act—rapidly, effectively, and unconventionally if necessary. In peacetime such behavior is fatal to delicate political and diplomatic relationships.

Winning the peace is a hard struggle. One of the things that those in power find hardest to grasp is the limits of power. If this concept, however difficult it may be, can break through into their consciousness, the chances for peace will improve.

Those in power in South Africa, too, will increasingly have to learn that South Africa long since lost the power to impose its own blueprints and that the mere suppression of resistance does not solve the problem. Also, South Africa's position in the international community is so precarious that Ramboish weapons-smuggling only hastens the day of total isolation.

* Economic Downturn Seen Slackening

34010047c Johannesburg BEELD
in Afrikaans 28 Jul 89 p 25

[Text] The ASSOCOM [Associated Chamber of Commerce] business confidence index rose last month by 0.5 points to 96, compared to 95.5 in June and 95.9 in May. The index stood at 96.7 points at the beginning of this year.

The slight increase in July is due in part to the increase in imports as well as exports, an improvement in new car sales, higher factory production and company registrations, and the slightly higher price of gold.

The negative factors include the increase in the rate of inflation, higher unemployment, a drop in retail sales, and a continued decrease in approved construction projects.

ASSOCOM says that there appears to be a break in the economic decline and that there could be evidence of a slowdown, especially in terms of private fixed investment.

Although certain sectors of the economy, such as durable consumer goods, are feeling the bite, it appears that the economic leveling is moving sideways.

The economy is now halfway between a "boom" and a recession, and the general expectation for July among businessmen was one of cautious optimism. It appears that the general strength of domestic spending was thoroughly underestimated.

ASSOCOM says that the slight improvement in business confidence could also be the result of a perception that the price of gold may have reached its lowest turning point. State spending could also play a role in maintaining economic growth.

Recent economic data—in conjunction with trends in state spending—make it difficult to predict any slackening in economic policy in the short term. It would be untimely to expect any significant change in policy or monetary discipline right now, ASSOCOM says.

Interest rates overseas are currently falling, but if rates at home are reduced too quickly this could have a detrimental effect on foreign financing of trade. In addition, it is not at all clear whether the inflation rate has reached its highest point, and the best policy will be to take no action for the time being.

It is difficult to evaluate the effect of political factors on the business community now. There are indications that the upcoming election is indeed playing a role, but

ASSOCOM believes that the next couple of months could have an effect on business confidence.

Current indications are that the economy will be able to achieve a rate of growth of 2 percent this year, and 1 percent next year.

* Financial Aid to Venda R500 Million

34000785a Johannesburg THE STAR in English
7 Aug 89 p 7

[Text] The South African Government's financial aid to Venda amounted to R500 million last year, according to figures released recently.

This included direct financial assistance as well as aid in the form of loans, job creation, technical help and overdraft facilities.

The South African Ambassador to Venda, Mr Rod Smith, told reporters that R123 million had been invested in Venda by industrialists. There were now 132 established industries.

"In 1969 Venda was a forgotten corner of southern Africa, regarded at best as a labour reservoir, but the situation has changed rapidly since then," said Mr Smith.

Venda's medical services were among the best on the sub-continent, he added.

At present there were 16,061 public servants and 7,665 teachers, 66,000 children were attending high schools and the University of Venda had 4,000 students, he said.

* More Funds Double UP Research Work

34010047b Johannesburg BEELD
in Afrikaans 27 Jul 89 p 22

[Text] Research at the University of Pretoria [UP] has doubled over the past 2 years, and there has been a major increase in money for research received from scientific councils as well as the public and private sectors.

More than 40 million rands a year is currently being spent on research and development at UP, according to last year's annual report, which was recently published.

According to the report, after two decades of rapid growth in terms of number of students, courses, departments, institutes and research centers, UP has realized that a period of stabilization and economization is unavoidable.

A number of attempts to economize have been successfully undertaken, such as integrating the extramural program with the full-time academic program on the main campus, and gradually eliminating or combining certain courses, institutes and departments.

Economization is continuing, and all courses with fewer than 10 students per school year are being examined.

However, some will be continued in the national interest, since they are the only source of scarce manpower. There have also been discussions with other universities about greater cooperation in education and research.

Because of certain needs, new fields of study and research have been established. Thus, the faculty for economic and management sciences has been designated as a strong point of growth.

As far as maintaining and extending academic standards is concerned, the top priority is to retain and further develop the current corps of lecturers and to acquire distinguished new lecturers and researchers. The student selection process has been expanded, the curriculum has been studied closely and improved scholarship programs have been set up to help postgraduate students in particular.

It is UP's declared goal to increase its percentage of postgraduate students from the current 26 percent to 35 percent by the year 2000. Last year alone, the number of postgraduate students increased by more than 5.5 percent.

The report also stated that UP, the largest residential university, had an operating budget last year of more than 190 million rands.

Cutbacks in state subsidies, the universities' greatest source of income, meant that the state's contribution to UP fell from 80 to 68 percent. Thus, UP was forced to raise nearly 61 million rands on its own.

Student fees accounted for approximately 68 percent of the income from private sources.

* Export Incentive for Citrus To Start April'90

34010047d Johannesburg BEELD
in Afrikaans 28 Jul 89 p 29

[Text] A new plan of export incentives for the South African citrus industry will go into effect next 1 April, says Minister of Agriculture J.J. Greyling Wentzel.

This will include part of the existing plan of export incentives, but will also consist of a general plan and one of structural adjustments.

At the dedication of the new Citrus Exchange headquarters at the Verwoerdburgstad Center, Minister Wentzel said that the existing plan for export incentives is not cost-effective.

"An increase of 74 percent in the cost of the incentives in question has resulted in an increase in the export volume of only 8 percent. This system was set up for the very purpose of promoting exports and thus earning more foreign exchange for the nation."

He said that citrus is a growing industry that brings in a great deal of foreign exchange.

In 1949, the year that the Citrus Exchange was established, the industry exported around 7.7 million units of 15 kg each. The gross value of the total harvest was 10 million rands.

Last year, citrus exports had quadrupled to nearly 30 million units. The gross value of the harvest rose from 10 million to 750 million rands.

"Because exports are responsible for around 90 percent of that figure, it is clear that the industry is an important earner of foreign exchange," Mr Wentzel said.

*** Veterinary Research Institute 'World Leader'**

34010047a Johannesburg BEELD
in Afrikaans 27 Jul 89 p 21

[Article by Manie Bosman: "Onderstepoort Is a World Leader: Will Play an Ever-Greater Role In Africa"]

[Text] The name Onderstepoort makes most people think of a place where veterinarians are trained. However, few people realize that the research that is conducted here is among the best in the world and that the Veterinary Research Institute has helped combat animal disease in countries such as Spain, Russia, Turkey, India, and Pakistan.

In addition, the institute has a vaccine factory that produces around 165 million doses of 58 types of vaccine each year. A good deal of that is exported.

The institute was founded in 1908 under the leadership of Sir Arnold Theiler, a Swiss veterinarian. Onderstepoort's research and educational functions were separated in 1973 when the University of Pretoria's newly established faculty of veterinary science took over the task of training veterinarians.

The research institute, which is under the control of the Department of Agriculture and Water Supply, and the faculty of veterinary science are thus two separate institutions today, with one common goal: to provide veterinary services.

According to Dr Daan Verwoerd, director of the research institute, the institute's task is threefold: research on animal diseases, diagnosis of disease and the production of vaccines.

"Our most important customers are South African livestock farmers, and in this way we support the meat, dairy and wool industries.

"However, disease knows no borders, and cooperation with other countries is very important. In the future, we will play an ever-greater role in combatting animal disease in Africa."

In the past, the institute has proven that it is well-equipped for that major task. A horse vaccine that was

produced by the institute was sent to Pakistan, India, and Turkey in 1959 after thousands of animals died in those countries.

In 1963, the institute was designated a worldwide reference center for blue tongue and horse sickness. Even Russia has sent tissue of animals with those diseases to Onderstepoort for analysis.

When an epidemic of horse sickness in 1987 threatened Spain's participation in the 1988 Olympic Games, the institute was asked for help.

Dr Baltus Erasmus, a researcher and assistant director of the institute, immediately travelled to Spain, where he helped combat the disease. The institute made around 50,000 doses of vaccine available to Spain.

According to Dr Verwoerd, specialization is necessary in order to keep up with latest developments in veterinary science. This is why the institute has several specialized divisions. These are the divisions for infectious disease, chemistry, parasitology and pathology, vaccine preparation, foot-and-mouth disease, and support services.

Across the street, at the University of Pretoria's faculty for veterinary science, Prof Brough Coubrough, the dean of the faculty, also talks proudly about the work done there.

"The caliber of our education is among the highest in the world, and veterinarians who graduate here can compete with some of the most prominent veterinarians in the world."

The faculty's academic standards are very high. Only around 20 percent of the graduates who apply for admission are let in. Prof Coubrough says that this ensures that 97 to 98 percent of the students who are admitted will complete the course.

Although the main purpose of the faculty is to educate veterinarians and veterinary assistants, important research work is also done, Prof Coubrough says.

While the research institute's research focuses primarily on larger animals, especially livestock, research at the faculty of veterinary science is largely concentrated on diseases suffered by house pets. A chair in wild game disease was recently established at the faculty, which is mainly involved in wild game conservation.

The faculty also has an outpatient division where the public can bring their sick animals. That division, which is staffed by lecturers and senior students, handles around 1,500 animals a month.

Work is also progressing rapidly on the faculty's new training hospital, at a cost of 21 million rands. "This hospital will give us facilities comparable to the best in the world, if they themselves are not in fact the very best," Prof Coubrough said.

*** Future Prospects for Grinaker Electronics**

34000785b Johannesburg ARMED FORCES
in English Aug 89 pp 14-15

[Interview with M. J. D. Steyn, former chairman of Grinaker Electronics]

[Text] Mr. M. J. D. (Tienie) Steyn, Chairman of Grinaker Electronics Limited, retired from executive office at the end of June 1989. ARMED FORCES spoke to him about his term of office and the prospects for the future.

[ARMED FORCES] On reflection, can you describe how the company has changed in recent years.

[Steyn] I maintain that I did not inherit the golden egg, but the goose that lays them. Up to that time the company had been very successful in its specialized area of military communication products. It had, however, grown into a medium sized company that was suffering some growth pains. I feel my main contribution was guiding the transition into the larger group of companies which it is today. The main change was to broaden the base of the business. One important element was to change from a product orientation to the wider system needs of the customer. This shift is illustrated by the fact that today more than half of our turnover comes from systems activities like large C³I systems.

[ARMED FORCES] Did this diversification not cause you to neglect your traditional customer, the SADF [South African Defense Forces]?

[Steyn] On the contrary, we have found that by having both military and other customers, there is a good deal of synergy and cost reduction. Very expensive Research and Development (R&D) can be spread over a larger customer base and sometimes commercial technology has a military application. Both the SADF and Armscor acknowledge that this has been to our mutual benefit.

[ARMED FORCES] You have been involved in the development of the South African Armaments Industry, especially the communications and electronics side, for a number of years. What progress have you seen in the Industry and what is your view of the future?

[Steyn] There has been tremendous progress over the last 25 years, mainly due to the encouragement and support given by the SADF and Armscor. Back then most equipment was imported and the industry's manufacturing capability lagged behind the rest of the world. Today we are able to offer products and systems which are superior in all aspects, including reliability, to those found even in the industrial countries. We have also progressed beyond just individual products to complete families of equipment and large systems, and this will continue in the future.

[ARMED FORCES] In your years at Grinaker, what would you say has been your most successful project?

[Steyn] I feel my personal contribution has been to make the company more orientated towards the broader customer needs, and to concentrate our valuable R&D resources to the new market priorities. If I were to single out a particular project as being a highlight, then it would be the C21 which is now the standard HF tactical radio in the SADF.

[ARMED FORCES] We see many reports of the excellent growth performances of electronics companies. Just how successful has the Grinaker Electronics group been during your nine years with them?

[Steyn] The turnover of Grinaker Electronics Limited (GEL) is now ten times that of 1980, which is around 30 percent growth per annum.

[ARMED FORCES] To what do you ascribe this high growth rate?

[Steyn] External factors obviously had an influence, for example there was a large market spurred on by events like sanctions. However, without the group's team of people, both technically and managerially competent, this growth would not have been possible.

[ARMED FORCES] Many of our readers are National Offices and men soon to enter the job market. What are the prospects in electronics in S.A. [South Africa]?

[Steyn] The growth of companies like ourselves is largely limited by the supply of technical people. Therefore people with maths and science who are capable of completing tertiary engineering training at a Technikon or University, and are able to apply themselves, have the world at their feet.

[ARMED FORCES] If you could have a magic wand, if you have not already developed one, what would you like to see in the industry?

[Steyn] A queue of electronics designers at our gates eager to create world-beating products and systems.

[ARMED FORCES] So one of the major problems is finding sufficient qualified technical personnel?

[Steyn] It is without doubt the major constraint to our growth.

[ARMED FORCES] Are the Universities and Technikon not able to produce technical personnel of the standard required by the industry?

[Steyn] The only thing lacking is the number of engineers and technicians—the standards are adequate. In fact, for these engineering people whom we also need in marketing and management, we would like to see an intermediate degree of one year less than the current four-year duration. Such a degree could be called "Bachelor of Applied Science" say B(A)Sc, and could be an entrance qualification for an MBA, a marketing course, branching off into a career as a technologist, etc., all of which will lead to a better utilization of our 4-year graduates.

[ARMED FORCES] Your Group is active in the export market, is South Africa able to compete with the internationally known names in the electronics and communications field?

[Steyn] We regularly face the biggest names in the world in the market place and we are very proud that, in spite of our disadvantage of political pressure, we have been able to take considerable business away from them.

[ARMED FORCES] For a number of years you have been expanding your Research and Development effort. At this stage, how many people have you engaged in this work?

[Steyn] We currently have 150 engineers and 180 technicians directly involved in product and systems design at R&D labs in Durban, Cape Town and Pretoria. I believe this is one of the largest private electronics R&D teams in the country.

[ARMED FORCES] Over the years, what would you estimate your company's expenditure on R&D to be?

[Steyn] We consistently spend around 14 percent of our turnover on R&D which is far in excess of the industry average.

[ARMED FORCES] Mr Steyn, your own training was both technical and managerial. Do you consider that this has been an advantage to you?

[Steyn] It is a great advantage in managing a high tech company, yes, but many illustrious managers in industry come from the ranks of accountants. Having both disciplines helped me a great deal, but I would not say that it is essential for everybody.

[ARMED FORCES] What will be the effect of your retirement? How will your retirement alter your role and the direction of the Grinaker Electronics Limited Group?

[Steyn] I will remain Chairman, but in a non-executive capacity. I will, however, be concentrating my efforts on our external operations. The current Managing Director, Sybrand Grobbelaar, will take over the reins as Chief Executive of Grinaker Electronic Limited (GEL). This is really a natural succession, as Sybrand has been with the Group longer than I and was the Managing Director of the largest company in the Group, Grinel, for many years. He has been Managing Director of the holding company Grinaker Electronic Limited (GEL) for the last year.

[ARMED FORCES] For over 14 years there has been a very close relationship between your organisation and ARMED FORCES JOURNAL. How do you see the role between the industry and the media?

[Steyn] I have always felt that the media is an important means of communication with customers and the public, and I welcome opportunities like this to talk to you and your readers.

Angola

Foreign Minister Reportedly Meets Pik Botha

MB1609144089 Umtata Capital Radio in English 1400 GMT 16 Sep 89

[Text] South African Foreign Minister Pik Botha has had talks with his Angolan counterpart, Pedro de Castro van Dunem, near Angola's border with Namibia, but it's not yet known what the outcome of the talks are.

The reports of the meeting came from the Portuguese news agency LUSA.

Angolan President Eduardo dos Santos recently accused South Africa of breaking a pledge to halt aid to UNITA [National Union for the Total Independence of Angola] rebels.

Fierce clashes have been reported between UNITA and Angolan Government forces since the breakdown of the truce agreement.

Botha and Van Dunem last met a year ago to discuss southern African regional issues.

Maputo Radio Report

MB1709191489 Maputo Domestic Service in Portuguese 1730 GMT 17 Sep 89

[Text] AIM reports South African Foreign Minister Roelof Botha met in Ruacana today with his Angolan counterpart, Pedro de Castro van Dunem.

The agency did not give further details on the meeting.

Savimbi Discounts Mobutu's Efforts at Mediation

MB1709182989 Johannesburg Television Service in Afrikaans 1800 GMT 17 Sep 89

[Text] UNITA [National Union for the Total Independence of Angola] leader Dr Jonas Savimbi says President Mobutu Sese Seko's efforts to end Angola's civil war will fail if another mediator cannot be found.

He says he will not attend the African leaders summit in Kinshasa tomorrow.

Dr Savimbi accused President Mobutu of siding with the MPLA [Popular Movement for the Liberation of Angola].

Meanwhile, the Front for the Liberation of Cabinda announced that 57 people were killed when about 1,200 MPLA troops attacked the oil-rich enclave.

RSA Intelligence Links With UNITA Reported

AB1709102089 Dakar PANA in English 0945 GMT 17 Sep 89

[Text] London, 17 Sept (ANGOP/PANA)—Two independent researchers recently returned from Namibia presented on Saturday in London proofs of South

Africa's continuing military support to UNITA [National Union for the Total Independence of Angola] against the New York peace accords and spirit of the Gbadolite summit.

Michael Opperskalski, editor of the West Germany publication "GEHEIME," and Nick Wright, editor of the magazine "LIBERATION," revealed the existence in Jamba, southern Angola, of UNITA connections in transporting military material and logistics with South African intelligence service agents.

They pointed the good relations between South African police and UNITA whose elements circulated freely in the Caprivi Strip, namely in Bagani and Kongola regions which are controlled by the police.

According to the researchers, UNITA maintains an operational base in the South African general army headquarters of Grootfontein in northern Namibia where South African military intelligence services in charge of coordinating terroristic actions of UNITA are also based.

They added that this group has an office in the center of Windhoek which acts as a Portuguese import/export enterprise.

Angola, Cuba, RSA Resume Meeting in Havana

MB1509212289 Luanda ANGOP in Portuguese 1955 GMT 15 Sep 89

[Text] Havana, 15/9 (ANGOP)—The meeting of the joint Angola-Cuba-South Africa commission to verify the New York accords resumed its proceedings in Havana on Thursday [14 September] morning, with a delay of about 1 hour.

No official explanation was given to the press, but the truth is that the South African delegation arrived late at the Palace of Conventions, where the meeting is being held behind closed doors.

Official sources admit the possibility that Neil van Heerden, head of the South African delegation and director general of the Ministry of Foreign Affairs, had been waiting for instructions from Pretoria for an adjustment of positions.

Observers do not rule out this possibility since the main point on the agenda is the presentation of evidence by Angola and Cuba proving South African violations of the accord.

Contrary to what was agreed in New York, South Africa continues to threaten peace in southwestern Africa and to insist on the presence of its repressive forces in Namibia.

At the same time, Pretoria continues to interfere in Angola's domestic affairs by encouraging UNITA

[National Union for the Total Independence of Angola] to wage war, contrary to the spirit of the Gbadolite accord for peace in Angola.

It should be stressed that Angola and Cuba have been observing fully the New York accord, particularly with regard to the timely withdrawal of the internationalist Cuban forces.

The holding of this fifth meeting, the second to take place in Havana, has created great expectations, considering that it is being held as SWAPO [South-West Africa People's Organization] leader Sam Nujoma returns to his country to personally lead the electoral campaign.

Likewise, it is important to bear in mind that yet another meeting of the eight African countries will shortly take place in Kinshasa to assess the process for internal peace in Angola.

In addition to this is the fact that the U.S. Government, one of the main backers of UNITA, has declared, at least formally, its recognition for the mediating role played by Zairian President Mobutu Sese Seko.

The meeting started on Wednesday [13 Sep] and is due to end today (Friday) with the possible issuing of a final communique and the holding of a news conference by the Angolan, Cuban, and South African delegations.

The Angolan delegation is led by Lieutenant General Antonio dos Santos Franca Ndalu; the Cuban by Carlos Aldana, a member of the secretariat of the Communist Party of Cuba Central Committee; and the South African by Neil van Heerden, director general of the Ministry of Foreign Affairs.

The USSR and U.S. delegations, which have been acting as mediators, are led by roving ambassador Vyacheslav Ustinov and Warren Clark, assistant secretary of state for African affairs [title as received]. The meeting is also being attended by guests, namely representatives of the UN secretary general in Namibia, UNTAG [UN Transition Assistance Group], and the South African colonial administration in the Namibian territory.

As part of meetings among the heads of delegations, the Angolan side held a private meeting with the U.S. delegation on Wednesday night.

South African media sources admit the possibility that the next meeting will take place in Pretoria, rather than Cape Town. However, this information has not been officially confirmed.

Cabinda Rebels Say 57 Killed in Army Attack

AB1709101089 Paris AFP in French 1950 GMT
16 Sep 89

[Text] Kinshasa, 16 Sep (AFP)—Some 57 civilians and troops were killed in an attack launched on 7 September by the People's Armed Forces for the Liberation of Angola (FAPLA) against the Cabinda population, the

Front for the Liberation of the Cabinda Enclave (FLEC, armed opposition to the Luanda regime) stated today.

In a communique given to AFP, the FLEC reports "violent clashes in the zones liberated by the front on the Zaire-Cabinda border" between the FAPLA and the Cabinda Armed Forces (FAC, the armed wing of the movement, which is fighting for the liberation of the Angolan enclave in Zaire). The FLEC further states that 1,200 FAPLA troops are involved in the fighting "which is still going on." The movement "appeals to the leaders of peace- and freedom-loving nations to send a fact-finding team to the spot" and calls on "humanitarian organizations for assistance."

The Cabinda enclave was incorporated into Angola in 1956 during Portuguese colonial rule. Since 1975, the FLEC has called for a self-determination referendum in that 7,270-square-km territory, which is rich in natural resources and oil. According to the FLEC, several hundred people have been killed on both sides in these clashes since the beginning of the year.

Lesotho

Military Leader Lekhanya Admits Killing Student

MB1509160589 Johannesburg SAPA in English
1536 GMT 15 Sep 89

[Text] Maseru Sept 15 SAPA—Lesotho's military ruler, Major General Metsing Lekhanya, told an inquest hearing in Maseru today he had fired the shot that killed a 20-year-old student because he had wanted to apprehend the man.

The inquest is hearing evidence on the death of Mr George Ramone, who died in a shooting incident on the campus of the Lesotho Agricultural College in Maseru on December 23 last year.

Gen Lekhanya said that on the night in question he was visiting a veterinary officer at the college, and that as he approached his home he heard loud screams from a woman in the direction from which he had come.

He was in the company of his bodyguard, Sergeant Khotatso Mojakhomo. He said he was of the opinion the woman must have been in great fear of her life—"somebody who was in danger, in trouble or in distress".

Gen Lekhanya, 51, said he thought it was his duty to rush to the woman's aid.

He said he and his bodyguard went to the screaming woman and, as they approached her, he saw a man on top of the woman—who was still screaming.

Suddenly the man sprang up and ran into the darkness.

The general said he shouted at the man to stop so that he could apprehend him, but the suspect continued running. Gen Lekhanya chased him, and shouted several times at him to stop.

Gen Lekhanya said that when he realised that the man was not going to stop, he fired two shots into the air with a 9mm machine pistol. The man, however, continued running and the general fired a third shot which hit the fleeing man in the head. The man fell to the ground.

The general told the court that he then instructed his bodyguard to take the woman and the man to the local charge office in a van. He did not ask anybody to cover up the incident.

The following day, he telephoned the commissioner of police and reported the incident to him. The inquest continues.

Mauritius

* Police Commissioner on Employment Practices

34190354 Port Louis LE MAURICIEN
in French 16 Aug 89 p 5

[First paragraph is LE MAURICIEN introduction; passages within slantlines published in English]

[Text] In a press release issued on Monday, the commissioner of police responded to recent allegations of political origin on the recent promotion of the commanding officer of the Special Mobile Force [SMF] and its incidence within the hierarchy, the ethnic makeup of the two latest groups of recruits, and the departure of Superintendent Parfait. The commissioner's office states that the allegations are malicious and designed to sap the morale of the police force. They are being circulated by irresponsible individuals, according to the police commissioner. The communique from the police commissioner's office does provide one item of information, however: While it was alleged that only 7 out of 400 new recruits belonged to a particular ethnic group (what is known as the general population), there were, in fact, 3 recruitment groups totaling 700 recruits, 12 percent of whom belong to this ethnic group. Commenting on this fact, the police commissioner noted that to begin with, there were fewer applications from members of the general population and for this reason, there were fewer recruits from this ethnic group. The police commissioner also offered an explanation for the fact that there are fewer applicants from this particular ethnic group. According to him, they find employment elsewhere, in the private sector.

Further, the police commissioner's office states that the actual recruitment and promotion of police officers is entirely the responsibility of the (PSC) [Police Service Commission], which, the commissioner's office points out, makes its selections objectively and without regard for applicants' ethnic or religious background.

In his communique, the police commissioner describes the criticism recently made as unfounded and malicious. He writes, "For some days now, wild, baseless, and

malicious allegations have been made by certain politicians and have been echoed in the press (...) All these allegations are baseless and are regrettably calculated to sap the morale of the Force, to create confusion, and to mislead public opinion. They are clearly motivated by irresponsible elements of our society, who have, this time, chosen the Police Force as their target."/

The commissioner then addresses each of the allegations specifically. Concerning the ethnic breakdown of the latest groups of officers to be recruited, the communique states that "from a list of about 700 recruits in three batches, about 12 percent happen to belong to a particular ethnic group which is maliciously alleged to have been discriminated against."/ The communique adds, "statistically, fewer members of that particular ethnic group apply for enlistment in the Police Force, as they move for and get jobs in the Private Sector, so that the percentage of recruits in the Police Force of members of this particular ethnic group is bound to be relatively lower."/

Concerning a remark made on the subject of Superintendent Parfait, the communique states that Superintendent Parfait will turn 60 years old on 7 December and that he is on pre-retirement leave, hence, a teaching assignment [as translated].

On the subject of Commander Dayal's recent promotion, the commissioner offers a long explanation. He points out that the position of commanding officer of the SMF was designed in keeping with the responsibilities involved in heading up the SMF. The /Pay Research Bureau/ agreed to the creation of this position. It is also noted in the communique that the Parliament approved the creation of this position and that the PSC names the commanding officer.

The commissioner then makes the following comments: "In a disciplined area like the Police Force, there are bound to be some elements who cannot adapt themselves to strict discipline, and do not, and cannot perform as well as is expected of them. Such elements become frustrated when they are not considered for promotion to the next higher grade, and very often ascribe their frustration to imagined victimization. All promotions are the sole responsibility of the Police Service Commission which scrutinizes objectively all recommendations for promotion before reaching its decisions."/

Having identified the causes, the communique immediately moves into the attack: "It is therefore clear that attempts are being made to sap the credibility, objectivity and honesty of constitutionally established institutions like the Public and Police Service Commissions, and to subvert the Forces of law and order."/

The commissioner's office then issues an appeal: "The general public is well advised to be on its guard against elements of division and destruction which are politically and demagogically motivated."/

*** World Bank Report on Economy Highlighted**

34190021a Port Louis LE MAURICIEN
in French 10 Aug 89 pp 1, 3

[Text] Dr Beergoonath Ghurburrin, deputy prime minister and minister of economic planning and development, announced on 10 August that "Mauritius and its government have been praised by the World Bank for the economic performance achieved by the country from 1983 to the present in the final version of 'Mauritius: Managing Success,' an economic report of the World Bank turned over to the government a few days ago." The minister also indicated that this report on the economic performance of the country set out the reasons for Mauritian economic growth. It confirms that "Mauritius has left the platoon of poor countries to reach the higher level of countries with intermediate income and underlines its strength. At the same time it outlines existing weaknesses in the economic and financial system of the country, while proposing solutions for them."

According to the minister, the report of the World Bank emphasizes the major importance of the Lome Convention and, in particular, of the EEC-ACP sugar agreement [European Community agreement on sugar with African, Caribbean, and Pacific countries] for the Mauritian economy, both in terms of the past as well as for the present and the future. The World Bank specifically recognized in this report that there is a consensus among the countries that have adhered to the sugar agreement on its economic, moral, political, and social dimensions in the eyes of the ACP and EEC countries. Furthermore, under one of its clauses the agreement is valid for an indefinite period.

The minister of economic planning and development was not prepared to provide details of the contents of the World Bank report. However, certain sources indicated that the final document has revised a judgment made in an earlier draft concerning the sugar agreement, which had provoked a sharp reaction by the Mauritian Government. According to our sources, the final report is "more complete" on this subject.

Doctor Ghurburrin recalled the fact that in the report the World Bank explicitly recognizes Mauritian efficiency at practically all management levels of the country, while emphasizing what could limit Mauritian economic growth in the years to come, according to this international institution. These limitations include a shortage of trained managers and manpower and the need for certain sectors of the economy to reconsider and even to reorganize themselves in view of new local and international circumstances.

Three major sectors drew the particular attention of the World Bank in this report that the Mauritian Government, at this moment, is engaged in studying in detail. These sectors include sugar, industry, and tourism. Mauritius is encouraged in the report to consolidate its advantages under the sugar agreement with the EEC, while diversifying toward certain, nonsugar resources, to

export its sugar products with a high added value, including so-called special sugar products, to reorient the agriculture diversification program toward products with a high economic return, as well as consolidating its industrial and tourism sectors.

We should recall that this report is the final result of a World Bank mission that visited Mauritius from 14 November to 2 December 1988. It was led by Madame Astra Meesook, a senior economist attached to the division of the World Bank concerned with Mauritius.

The mission was charged with making a report on the state of the Mauritian economy. On several occasions the World Bank called the economic performance of the country "highly successful," following a study in depth of the period. It was the first time that so much emphasis was placed in a report by the World Bank on the historical, moral, political, and social value of the accords reached by the Mauritian Government with Europe in particular, under the Lome Convention. Also receiving emphasis in the report was the agreement to ensure sugar production. The report credited the agreement with a major role in the success of the country's struggle to diversify its economic activities.

In this important World Bank document emphasis is placed on maintaining the pace of development at an annual rate of about 5 percent, on condition that there is no major reverse. However, the minister of economic planning emphasized that the World Bank, in its analysis, drew the attention of the Mauritian Government to the potential fragility of Mauritian success in a context of world economic recession. It reportedly also referred to other constraints, such as the surge in salaries and the shortage of labor. These two factors are already real threats, not to mention the fact that the World Bank expressed its reservations regarding a return to a policy of price control that its experts believe could recreate the catastrophic economic situation in place before the implementation of measures for the liberalization of the economy.

Doctor Ghurburrin stated: "Overall, the final report of the World Bank, copies of which have been delivered to the prime minister and to my ministry, is a rare example of praise by this institution for a government. Moreover, it is emphasized in the report that the success of Mauritius is exceptional outside the industrialized and wealthy world. The World Bank underlined the vital importance of the agreements made by Mauritius with the industrialized world for the marketing of its sugar and its industrial products. The report recognizes the good sense of this policy, while advising the implementation of a policy of diversification of production and markets and a reform in depth of financial institutions now outmoded by the pace of development."

The minister revealed that the World Bank, in its report, advised the government on the offshore banking proposal and emphasized that political stability is an essential condition for its success.

The social dimension of development is also underlined in this report.

* Banks Consider Remedies for Excess Liquidity

34190021b Port Louis LE MAURICIEN
in French 7 Aug 89 pp 1, 4

[Article by Leon Baya: "Excess Liquidity of 900 Million Mauritian Rupees"]

[Text] Commercial banks are overflowing with money. According to the balance sheet that they have just deposited with the Bank of Mauritius, covering their activities for the fiscal year 1988/1989, as of the end of June 1989 excess liquidity in our banks amounted to about 900 million Mauritian rupees, or an increase on the order of 200 million Mauritian rupees, compared to the end of May 1989.

This very high level of excess liquidity, no doubt caused by an increase in deposits but also by the policy of limiting loans, over the long term may turn out to be dangerous for the country's economy and be a source of inflation if corrective measures are not taken in time. Under the loan control program the banks are required individually to observe loan ceilings set each 6 months by the Central Bank.

The Bank of Mauritius and the commercial banks are aware of this danger. One way of mopping up this excess liquidity would involve issuing Treasury bonds. It is also thought in official circles that the introduction of state bonds on the stock market, scheduled for September according to the minister of finance, will be an opportunity for the financial institutions concerned to reduce their excess level of liquidity by a considerable amount. The total amount of Treasury obligations that will be issued remains to be seen.

The balance sheet of the banking sector for the past fiscal year shows a growth in deposits of 19.6 percent, from 14.3 billion Mauritian rupees in June 1988 to 17.1 billion Mauritian rupees in June 1989. Loans to the private sector increased by about 20 percent during fiscal year 1989 to 9,653 million Mauritian rupees. Three commercial banks were fined by the Central Bank after it was noted that they had exceeded their respective loan ceilings by increasing loans by more than 20 percent.

Elsewhere, the foreign exchange reserves of Mauritius increased by about 66 million Mauritian rupees between May and June 1989, amounting to 6.8 billion Mauritian rupees, or 5 months of imports. According to the Bank of Mauritius, the value of paper money and coins in circulation as of 30 June 1989 amounted to 2,131.6 million Mauritian rupees.

Mozambique

President Chissano Departs for Zaire 18 Sep

MB1809073089 Maputo Domestic Service in Portuguese
0500 GMT 18 Sep 89

[Text] President Joaquim Chissano departed this morning for Kinshasa, Zaire, to participate in the fourth

summit of the eight African heads of state. These are the head of states of Angola, Congo, Gabon, Mozambique, Zaire, Zambia, Zimbabwe, and Sao Tome and Principe, who are meeting today in the Zairian capital to evaluate the Angolan peace process talks within the national reconciliation accord, signed in Gbadolite on 22 June 1989.

President Joaquim Chissano is accompanied by Deputy Foreign Affairs Minister Manuel dos Santos and Minister of Information Teodato Hunguana, who is already in Kinshasa.

Mocumbi Returns from African, European Visits

MB1609220189 Maputo Domestic Service in Portuguese
1730 GMT 16 Sep 89

[Text] Foreign Minister Dr Pascoal Mocumbi returned to Maputo today after visits to Morocco, Tunisia, and Spain, where, in his words, he found an atmosphere of support for the Mozambican Government's peace initiatives.

Pascoal Mocumbi told Radio Mozambique that a cooperation agreement was signed in Tunis between Mozambique and Tunisia. The Mozambican foreign minister also delivered a friendly message from President Joaquim Chissano to his counterpart, Ben Ali.

Dr Pascoal Mocumbi examined with Moroccan authorities cooperation between the two countries.

Pascoal Mocumbi examined bilateral cooperation with his Spanish counterpart, Francisco Fernandez, during a technical stopover in Madrid.

* Youth Delegation Returns From Pyongyang

34420120a Maputo NOTICIAS
in Portuguese 13 Jul 89 p 8

[Article by Daniel Cuambe: "Mozambican Youths Returning from Pyongyang"]

[Text] Still bubbling with the excitement they brought back from Pyongyang, in Democratic Korea, the delegation of 70 young people early yesterday morning got off the plane at the Maputo International Airport; the delegation included students, artists, and athletes who represented the People's Republic of Mozambique at the World Festival of Youth and Students which was held in that Asian socialist country between 1 and 8 July.

They returned to Maputo on board a regular Aeroflot airliner linking Moscow and the Mozambican capital; the group was given a warm reception, including flowers, songs, and greetings by the receiving team.

Although they had been in the air for 20 consecutive hours, the young people, upon their arrival at the airport, insisted on a brief gettogether to the sound of the guitars of the "Ghorwanes" who were members of the group.

The members of the reception committee greeted their comrades who had come from Pyongyang with songs that ended in shouted slogans which Mozambican youth habitually comes out with during this kind of event.

The Mozambican delegation to the festival was welcomed upon its arrival by OJM [Mozambique Youth Organization] Deputy Second Secretary General Alcinda Abreu and many other cadres of the organization.

The Korean ambassador and numerous kin of the delegation members had also gone to the Maputo International Airport.

The Festival

In Pyongyang, Mozambique joined the 150 countries that marked the festival which was attended by a total of 15,000 youths from various corners of the world, gathered around a single topic: antiimperialist solidarity.

During the first 5 days of the marathon, the RPM [People's Republic of Mozambique] delegation also included as honored guest President of the People's Assembly Marcelino dos Santos who returned to Maputo several days ago to participate in other activities in the context of the preparations for the 5th Congress which is drawing nigh.

In briefing our reporter, Zacarias Kupela described the event in Pyongyang as a festival of "opening and contact that was qualitatively superior when compared to those which Mozambique had attended earlier."

He explained his statements by noting that the OJM established fruitful contacts with about 50 delegations present in Democratic Korea, particularly with the Scandinavian countries and the United States of America.

The OJM secretary general also emphasized that the Mozambican presence had a strong impact on the opening of the festival, the inauguration of the club of our representation, and the constant requests addressed by thousands of participants to the 4th Congress troupe and the "Ghorwane" musical group to perform in various places.

Our source mentioned the presence of outstanding figures of the region at solemn moments, especially Julius Nyerere, Marcelino dos Santos, and Grey Zulu, who had gone to Pyongyang also.

On the other hand, Mozambique was included in the head table during the debate on some topics.

On that occasion, according to Zacarias Kupela, "we explained to our audience the meaning of independence for Mozambique, the causes or origins of armed banditry, as well as the efforts being made in our country to achieve national reconstruction."

We also learned from this official that, as a result of the lessons learned in Democratic Korea, Mozambique

would in the future plan festivals that would more or less have the same character every 2 years.

According to the OJM secretary general, this initiative could take place in a regional context, following the negotiations that are expected to be carried out between the interested parties.

* Matola Meets Conditions for Provincial Capital

34420120b Maputo NOTICIAS
in Portuguese 8 Jul 89 p 3

[Text] Following the recent establishment of the provincial government, the actual executive board, and a total of six provincial directorates throughout the city of Matola, the latter now has the minimum conditions necessary for its operation as (provisional) capital of the Province of Maputo. This information was disclosed to NOTICIAS by Provincial Support and Control Director Samuel Bie who, on the other hand, admitted that the new capital is struggling with a lack of facilities for housing the remaining six directorates that are still operating in the city of Maputo, as well as homes for many employees of various agencies.

The city of Matola was given the official title of provincial capital of the Province of Maputo on the occasion of the visit paid by President Joaquim Chissano between 15 and 19 March of last year. Since then, according to Samuel Bie, in addition to the activities mentioned earlier, work was done to restore various support facilities, such as homes, streets, and schools.

With the installation of some agencies connected with the provincial government, especially the provincial directorates of commerce, support, and control, security, prevention and fight against natural disasters, as well as the people's provincial tribunal and the headquarters of the People's Police of Mozambique, it is now believed that minimum conditions have been created for the performance of political-administrative and economic activities.

According to our source, the difficulties connected with assigning cadres from various activity sectors to their own housing facilities in Matola (since many of them live in the city of Maputo) were the main source of trouble with which the respective activity sectors are struggling.

The provincial director of support and control however noted that the provincial government, in coordination with the APIE (Administration of State Lands and Property), is trying gradually to match these government employees up with the available housing units.

The City

With more than 210,000 inhabitants, distributed over an area of 375 square km, the city of Matola has a significant industrial park which is indispensable to the country's economy, where, among other enterprises, one might particularly single out Petromoc [Mozambique Petroleum], Industrial Company, Cement Company of

Mozambique, Navipesca [Fishing Company], TUDOR, TEXLON, FASOL, Mozambican Steel Industry, bicycle factory, Extra-Sal [salt flats], and the Railroad-Port Complex.

Most of the homes are individual units but there are also some buildings with as many as four or five storeys.

As our reporter was told, various residents said that many of the buildings in the city were constructed by the respective owners, some of them even after independence.

On the other hand, we learned that most of the 210,000 inhabitants of that city are workers who are distributed over various activity sectors existing there while others come from the city of Maputo, as well as producers of animals and subsistence crops, potentially going into the quintals.

Many of the students used the Matola school system, especially if we realize that there are thousands of children in the area that get instruction at the primary and secondary levels (general and technical) and the middle level (school of government and law).

Citizens Speak Out

To learn about the main difficulties which the residents of the city of Matola are struggling with, our reporter made the rounds and talked to many citizens who shared the idea that the main obstacle was the lack of transportation.

Supporting this statement, Felisberto Simao, a resident of that city and a worker in the lower part of the country's capital, said that he always gets to work late because of the long trip from his home to the "express" terminal.

He suggested that at least another two "express" motor vehicle terminals should be installed in zones A and B so as to benefit a larger number of workers and students.

Another opinion shared by the other inhabitants has to do with the need for creating new passenger transportation lines, linking parts of the city which include Matola "A," Liberdade, Machava, Jardim, and Matola-Railroad Station, among other areas.

* Return of Churches in Zambezia Progresses

34420120c Maputo NOTICIAS
in Portuguese 13 Jul 89 p 3

[Article by Jorge Morais: "Return of Assets to Churches Progressing"]

[Text] It is hoped that the process of returning the assets and property of the religious communities will have been completed by the end of the first fortnight of this month of July; according to information provided by Joao da

Silva Matonse, head of the DAR (Department of Religious Affairs), this process is generally taking place at a satisfactory pace.

The source told the emissary from our delegation in Beira that there has been good cooperation and understanding between the parties involved in the course of this process "and that it is also in the interest of the provincial government that this process is carried out as quickly as possible so as to make it possible for the property of the religious communities to be returned by the specified deadlines."

The Health Administration and APIE (Administration of State Lands and Property) have practically completed the process of turning these assets over. Right now, only the education sector is left and the job is to return the assets of the Catholic Church (it is believed that the education department made the most extensive use of the assets of that community in recent years).

The head of the department of religious affairs in Zambezia commented on the situation in the education sector in the context of this process and emphasized that this is the sector which, due to "its nature and needs, used the largest number of assets, especially churches, seminars, missions, boarding schools, among others" which were used as teacher training centers, student homes, and other facilities, as well as primary and secondary schools.

This is why he said that this sector must tackle the same problem not only in the Province of Zambezia, but probably also in all of the country's regions. Right now, he is facing a difficult situation because he has to meet the requirements of the DAR in that province because, as it is believed, there are no other places where it would be possible to accommodate the students and teachers and where the schools could be run after church assets have been returned as had been determined at higher levels of government.

Education: Return by Stages

Considering the comments made by Joao Matonse, the DAR in Zambezia, in its capacity as "executive agency" in the coordinating commission for the return of the assets of the religious communities, which is also made up of the provincial directors of education, of support and control, and of the APIE, is employing a certain technique of persuasion and diplomacy to solve the problem of education with relation to the process now in progress.

The official noted that it is necessary to employ this kind of "diplomacy and persuasion" and to avoid clashes not only because this is a sector of great importance to society (education) but above all "because this sector needs a certain period of time to get ready, to reflect, and to draft new projects dealing with the future life of the students and teachers as well as hundreds of other sector personnel, including some administrative officials and

others at other levels who, because of housing difficulties, are living in the student homes and in the vocational training centers that are part of the assets of the Catholic Church in most cases."

According to this DAR official, the diocese of Quelimane conducted a statistical survey of all infrastructure facilities that were to be returned to it.

We also learned that it was agreed with this religious community that the education authorities in Zambezia could return the assets in stages; this step is aimed at solving the problem without harming the normal operation of that sector. "This work," said the DAR chief, "could be done by stages because we know that, if the education department were to return everything all at once, this would make it necessary to close some educational institutions and that would bring real collapse to the sector."

In the meantime, the solution to this problem is far from finalized since this area will have short-term difficulties in finding enough money to build new facilities replacing those it is currently using (assets of the Catholic Church).

What Has Already Been Returned

The process of returning the assets of the religious communities, particularly in the Province of Zambezia, initially was to be carried out by stages. But due to the nature and delicacy of the matter, the authorities that are directing this effort believed that it would be better not to follow this procedure rigorously.

Contacting the head of the DAR, the emissary from our delegation in Beira was informed that the first part of this action was directly managed by the party, in that province, with the entire process culminating in the return of a group of churches of different communities, especially Catholic, Baptist Union, and 7th-Day Adventist among a total of 21 congregations.

These places of worship, which were returned last December, are scattered throughout the districts of Upper Molocue, Gile, Gurue, Ile, Mugeba, Maganja da Costa, Milange, Mocuba, Mopeia, Morumbala, Nama-curra, Namarroi, Pebane.

In this connection, without figuring the other assets that were returned already before the ministerial directive, a building belonging to the Hindu community was also returned to its legitimate owners in the city of Quelimane. This is the building in whose ground floor Central Photo is working. "The owner of that photo shop, which has been operating there for more than 25 years, has already received notice to leave the premises," the DAR official added.

Looking once again at the Catholic community, other reports indicate that the problem of the former primary school of Samugue (the fathers called it the Capuchin School of Bari), located next to the Mission of the Capuchins—which earlier was used as a prep school for

young men who would go on to the seminars of Zobue (Tete) and Namaacha (Maputo)—has also been solved.

On the other hand, a residence of the Catholic fathers was returned in Maquival, in the outskirts of the capital of Zambezia. In the city of Quelimane, more specifically, in the Coalane district, the Sisters of Franciscan Charity have already moved back into their old official residence and the same is happening with relation to the Catholic Church of Mucubela, in the district of Maganja da Costa. Seven residences belonging to the local Catholic mission were returned in the city of Mocuba.

* Emergency Aid Officials Arrested in Maputo

* Theft of Goods

34420120d Maputo NOTICIAS
in Portuguese 23 Jun 89 p 1

[Article by Daniel Cuambe]

[Text] Six officials from the DPCCN (Department of Prevention and Control of Natural Calamities) in the Province of Maputo, all of whom had management jobs, have been under arrest for some days now under suspicion of involvement in the embezzlement of emergency goods, including serious irregularities in the management of funds coming from the sale of these items, when properly authorized.

Official sources told NOTICIAS that this involves a concerted action of using products earmarked for victims of the war and natural disasters for other purposes.

There may also have been embezzlement of funds coming from the legal sale of goods earmarked for emergency purposes, although these sales are properly authorized because they are included in the distribution plan worked out with the donors.

On the basis of the audit that has now been formed, it has been possible to detect cases of loans in the form of money given by the institution both to workers and to individuals not belonging to the agency.

The sources indicated that other funds of the DPCCN in Maputo could have been used for the personal benefit of the officials who are now under arrest.

A high government official, a member of the commission charged with investigating the potential embezzlement of gifts, told our reporter that he refused to give names since items involved are still being processed under the heading of evidence.

But he did assure us that the first results of this effort would be made public by the end of this week.

We furthermore learned through this same source that members of the executive body of this commission are now in the districts of the Province of Maputo as part of

an expert investigation undertaking which will contribute to a "more rigorous analysis and conclusions" on this matter.

"We are taking a preventive measure because we are dealing here with data that are basically irrefutable and that prove that these individuals committed irregularities," the source said.

Urged to comment on the general scope of the commission's work—since it is to submit a report on this matter to the government in April of this year—our source said that a verification effort is now going on in the provinces which has already resulted in trips by the members of the executive body to places out in the field.

"Our commanders have already been there and we have data that are now being processed," he added. He also spoke about the existence in the provinces of local initiatives in terms of having inquiry commissions look into the embezzlement of emergency articles.

In this connection he said quite emphatically that "these initiatives do not invalidate our action." He then added that "we will do our job, except if they prove to us that their work is the same as ours, although we are doing our job within the directives that were issued to us."

* **Zambia Government Responds**

34420120d Maputo NOTICIAS
in Portuguese 12 Jul 89 p 3

[Article by Daniel Cuambe]

[Text] The provincial government of Zambia recently intervened in the DPCCN (Department of Prevention and Control of Natural Calamities) and took important steps aimed at stopping the theft and embezzlement of emergency articles which have been taking place until then, according to information supplied to NOTICIAS by the local authorities.

It is known that until a very short time ago the storage facilities of that agency in Zambia were full of products and articles earmarked for the victims of the war and of natural disasters.

This happened by virtue of the fact that the gift distribution capacity was not only reduced but that the access roads were also blocked due to the intensification of operations by armed bandits.

Quite obviously, the airlifts by themselves are not capable of delivering a large quantity of emergency goods since the aircraft used have a very small cargo capacity.

As NOTICIAS was able to learn on the spot, this excessive concentration of gifts in the provincial capital—which has now been eliminated as a result of the resumption of highway convoy movements—actually promoted the practice of thefts and embezzlement of

products and articles that were later on distributed by the respective individuals in parallel circuits.

At no time did the official authorities disclose the quantities of gifts that were diverted or even stolen; but it is known that these amounts were large, taking into account the fact that there were times when the commercial establishment in Zambia did not even get shipments of daily necessities, although these articles were seen in the premises of the profiteers.

In view of this rather discouraging situation in the local DPCCN, Provincial Governor Carlos Agostinho do Rosario made a working visit to the agency and, particularly looking at the stores, found an environment that actually promoted embezzlement of products, given the severe disorganization that was found in this agency.

The team headed by this official identified certain problems, responsibility for which can be blamed not only to the lack of cadres but also quite obviously to cases resulting from negligence on the part of local officials.

"We saw articles that were scattered about without any organization. There were many packages, some of which were opened, indicating that they had been broken into or that they were not properly opened to begin with," our source told us.

He continued say that "we deplore this situation and we are alerting the responsible officials to the fact that this situation is simply unacceptable and we want to get these people to draw the proper conclusions so that they will have a better understanding as to how to manage emergency articles."

Next Steps

At this point, it is known that many local DPCCN officials have been summoned before the judicial authorities and have been charged with involvement and complicity in the irregularities detected by Governor Carlos Agostinho do Rosario.

NOTICIAS confirmed that some of these cases were forwarded to the court and that those presumed to be responsible for a vast range of irregularities identified in the DPCCN of Zambia would at any moment be in the dock.

Our source did not provide any specific data identifying the persons involved in these cases.

But the provincial meeting of this sector was held recently under the guidance of Alvaro Mahumane, the DPCCN director in Zambia; the meeting covered the entire matter very thoroughly. Management personnel from various sectors of the province were immediately assigned to the agency and, through their experience, they will help improve the situation of the DPCCN in that part of the country.

The meeting studied ways of as much as possible minimizing the serious irregularities that have taken place in

the agency and strengthened mechanisms for checking on the proper handling of emergency articles as well as efficiency in their management.

Another point that was thoroughly covered at the meeting had to do with the implementation of the 1989/1990 Adjusted Appeal Strategy which essentially provides a methodology of emergency management, resting on solid and strictly rigorous foundations.

It must be emphasized that the Province of Zambezia expects this year to achieve a total agricultural output of 25,000 tons; this is believed to be the best result of the past 4 years.

These advances are the result of the better implementation of the seed and agricultural equipment program which has created objective conditions for relieving the displaced persons and those in a dependent status of the need to resort to foreign aid.

The Province of Zambezia has a population estimated at about 3 million people, 1 million of whom are undergoing terrible suffering and privations as a result of the war and natural disasters.

*** Soviet Donation to Beira Factory Workers**

34420129b Maputo NOTICIAS
in Portuguese 11 Jul 89 p 3

[Text] About 600 workers involved in setting up the future agricultural implement factory in Beira, Sofala Province, recently received sheets, thermos bottles, cloth, and shoes as a gift from the Soviet Union as part of the bilateral cooperation between that country and Mozambique, according to a recent announcement by the DIARIO DE MOCAMBIQUE.

The workers in question are employed by the Sofala Integral Construction Company, the Beira Electrical Company, Emetal, and the project itself.

The delivery of those items, which are part of a Soviet donation valued at 11 million rubles (over 13 billion meticals) and made to our country this year, was described by Gennadiy Tarassov, the USSR consul general, as a gesture of solidarity with Mozambican workers in connection with the 14th anniversary of national independence, which was celebrated last 25 June.

He added that the gesture was being made as the time for the Fifth Frelimo [Mozambique Liberation Front] Party Congress was drawing nearer.

The diplomat also said that another shipment of donations should arrive in that city in the near future for distribution to workers in other sectors.

Namibia

Pienaar Extends Voter Registration 1 Week

MB1509145689 Johannesburg SAPA in English
1452 GMT 15 Sep 89

[Text] Windhoek Sept 15 SAPA—The administrator-general, Mr Louis Pienaar, has extended the period for voter registration in Namibia by one week, an official spokesman, Mr Gerhard Roux, said in Windhoek.

There would be no further general extension after September 23, Mr Roux told a media briefing today, except in the possible case of returning detainees.

The decision was prompted by the high rate of registration during the past few weeks when a daily average of more than 5,000 registrations were recorded.

Mr Roux said the figures appeared to indicate that a high number of voters had delayed registering until the last minute.

A total of 684,794 people had registered to take part in the November election since registration opened on July 3. This figure exceeds the official estimate of approximately 677,000 prospective voters based on the 1981 census in Namibia. Voter registration was scheduled to close today.

Benin

* Nation Exhorted To Endorse SAP Reforms

34190336 Cotonou EHUZU in French
7 Jul 89 pp 1,3,6,12

[Text of speech by President Kerekou on structural adjustment program; first five paragraphs are EHUZU introduction]

[Text] The popularization campaign for the national structural adjustment program, following the felicitous conclusion of the negotiations initiated by our country with the International Monetary Fund and the World Bank, was officially launched yesterday at the People's Palace of the presidency in Cotonou.

This important ceremony, presided over by the chief of state, was attended by the members of the Political Bureau of the Central Committee of the People's Revolution Party of Benin [PRPB], members of the National Executive Council, officials of various rank from ministerial offices and governmental institutions, the party's mass organizations, and the members of the diplomatic corps.

After the national anthem was played, Comrade Sanni Mama Gomina, a member of the political bureau of the PRPB's Central Committee, addressed the audience to place the context and reasons for the gathering into perspective.

President Mathieu Kerekou, in the important speech he made on this occasion, first recalled the positive outcome of the negotiations initiated with the IMF and the World Bank. The chief of state then drew the attention of the audience to the broad areas that will undergo a complete overhaul and transformation as part of the national structural adjustment program. Before thanking and congratulating all those who worked at different levels to bring the negotiations to a conclusion, President Kerekou appealed to the patriotic conscience of all levels and socioprofessional categories of the population to make the behavioral and attitudinal adjustments required for the effective application of the measures entailed in our national structural adjustment program.

The following is a complete transcript of the speech made by President Kerekou on this occasion.

Comrades of the Central Committee of the People's Revolution Party of Benin, comrades of the Standing Committee of the National Revolutionary Assembly, comrades of the National Executive Committee, your excellencies of the diplomatic and consular corps, ladies and gentlemen of the international organizations, comrade delegates of the nation's institutional bodies, men and women of the Beninese revolution:

The long and difficult negotiations that were responsibly and advisedly initiated by our avant-garde party, the People's Revolution Party of Benin, and by our revolutionary government with the International Monetary

Fund and the World Bank have come to a felicitous conclusion, thanks to unswerving political will, mutual understanding and the devoted attention of all those involved, who sought to contribute individually and collectively to the qualitative development of the relationship of friendship, solidarity and cooperation that binds all the peoples and countries of the world who cherish liberty, justice, peace and social progress.

Evident is the degree of satisfaction justly felt by the laborious Beninese people and it is equal to the great sacrifices they accepted on learning that the boards of directors of the International Monetary Fund and the World Bank approved the structural adjustment program for our national economy on 23 May and 16 June 1989, respectively.

For most developing countries, it is an inevitable phase into which we have boldly entered, one we view as a historic national event along the path of the New Policy of National Independence we proclaimed before the world and before history in this very room on 30 November 1972.

We, the men and women of Benin, no longer have any doubt that the times of easy answers and revolutionary verbiage are decidedly past.

Indeed, given the point at which we stand in our country's development and the serious shortcomings manifested in the management of our public and semipublic enterprises, we must now turn to courageous criticism and self-criticism and commit ourselves resolutely and without defeatism, resignation or fatalism to the strict and flawless application of the structural adjustment program for our national economy.

The eradication of the adverse effects on the economic crisis in our country, the restoration of our public finances to health, the recovery of our nation's economy and the stimulation of production are the challenges to be faced and the wagers to be won at all costs and by every means available to our people, our party, and our revolutionary government.

For that reason, in our message to the nation on 31 December 1988, we strenuously emphasized that "although our country is benefiting from international solidarity and cooperation in this difficult time of serious world economic crisis, undeniably such support and sympathy cannot successfully continue without a general and permanent mobilization of the hardworking masses in our cities and fields and without worthy and heroic behavior on the part of the entire Beninese people in this crucial moment of our national life."

Thus, with the approval of our structural adjustment program by the World Bank and the International Monetary Fund and the positive outcome of the Paris Club meeting of 22 June 1989 on rescheduling our country's public foreign debt, we can rightfully state here publicly that now is the time for the Beninese people to give constant proof of its political maturity, its high sense of

responsibility, its ardent patriotism, its creative initiative and its deep attachment to a job well done and strict respect for the public good.

However well founded our national pride, we cannot lose sight of the fact that the restructuring of our economy and the stimulation of production are long and arduous undertakings, the goals of which can be achieved only through great sacrifice and sustained effort if we want to overcome the numerous and complex difficulties imposed on us by the outside world as well as at home.

To succeed, we will have to win the responsible, witting, and total backing of nation's life forces and their active and effective involvement. Such is the purpose of our gathering here in the Presidential Palace today, Thursday, 6 July 1989. Our meeting is essentially devoted to the official launching of the national campaign to popularize our structural adjustment program.

In the present context of our national life, the methodic implementation of this program is an absolute priority for our people, our party, and our revolutionary government.

We take it as our duty as activists to urge you, comrades in arms and in struggle, the authentic representatives of the nation's governing institutions, and through you, the men and women of all levels and categories of Benin, to take up this noble and exalting task of national and revolutionary proportions.

As you know, with the goals of consolidating and harmoniously expanding the gains of Benin's democratic and popular revolution and of succeeding in our efforts to restore health, to reform and economically stimulate production, we have included in our program all measures acceptable to the international community that allow us to expect a positive impact on growth.

Thus, our structural adjustment program as approved and supported on sound and clear grounds by the World Bank, the International Monetary Fund, and the international community has the following objectives:

- to stimulate production;
- to restore the broad lines of balance in public finance;
- to improve the monetary situation and balance of payments; and
- to clean up and stimulate activity in the banking system.

But these basic objectives could not be achieved in the current national economic environment without an external contribution and a lessening of the foreign debt burden of our country, the People's Republic of Benin.

Now that we have our structural adjustment program, now that our program is assured of the support of the international community and the Paris Club has agreed to reschedule our debt, we must implement it with determination and the will to see it through.

The credibility of our country, the People's Republic of Benin, depends upon it.

Every institution and life force in the nation must, therefore, commit itself firmly, with enthusiasm and a healthy spirit of competitiveness, to the proper execution of tasks in the following sectors.

I. Public Finance Sector

In accordance with the directives of our structural adjustment program relative to restoring public finances to health, our party and revolutionary government must diligently implement the measures necessary to:

1. rationalize budget procedures, mainly by simplifying the procedures and instituting a unified budget;
2. expand the tax base and eliminate low-yield taxes;
3. improve tax administration through a census of tax-payers, reinforcement of collection procedures and intensified measures against tax evasion;
4. bring current expenditures under control mainly by reducing the wage bill, improving personnel management, and limiting expenditures not related to salary;
5. improve the allocation of investment funds through greater selectivity of projects; and
6. verify external and internal arrears through auditing.

II. The Civil Service

Requirements imperative to the re-establishment of balance in public finances and the optimal use of our country's human resources have led our party and revolutionary government, with the support of our partners, to approve a reform of our civil service.

In concrete terms, the reform will result in a visible reduction and limitation of the number of permanent government employees, with the help of a voluntary civil service severance program and the rationalization of civil service management mechanisms.

III. Public and Semipublic Enterprise Sector

The reform of the public and semipublic enterprise sector begun in 1982 will place greater emphasis on the sector's rational reorganization and continued rehabilitation.

Total or partial privatization, unrestrictive management practices, and the closing of unsound state enterprises will be pursued with consistency.

IV. The Banking System

To ensure the re-establishment of a healthy banking intermediation capable of sustaining the other sectors of the nation's economy, effective actions must be undertaken by our party and revolutionary government as follows:

1. the total or partial closing of existing banks, with their liabilities to the BCEAO [Central Bank of the

West African States], foreign correspondents and, particularly, depositors of every social category and condition, to be assumed by the state;

2. the establishment of new banks with a majority of private shareholders, either Beninese or foreign;
3. the implementation of a rehabilitation plan for the farmers' credit union;
4. the restructuring of the Postal Checking system and the Savings Bank; and
5. adherence to a consistent monetary and credit policy seeking to rebuild deposits and foreign assets.

V. The Agricultural Sector

A new strategy of rural development will be applied. Its approach is more compatible with our socio-economic realities and with the redefined mission of the CARDERs [expansion unknown] making them more operational and effective.

Other measures will involve restructuring the cotton sector, liberalizing farm product marketing, and the implementation of measures conducive to the development of livestock raising, fishing and the conservation of natural resources.

VI. The Industrial Sector

The priority goal being to invigorate the industrial fabric and raise its profitability so that it can contribute more to national economic growth, our structural adjustment program calls for establishing the best safeguards for industrial firms and instituting a mechanism for promoting small- and mid-scale industries.

VII. Trade and Foreign Exchange

The liberalization of trade and foreign exchange and the simplification of regulatory procedures will be steadfastly pursued.

As part of this effort, new, simplified procedures for the formation, authorization and registration of businesses engaging in trade will be instituted.

In addition, import licenses for goods and products originating in certain countries will be eliminated and replaced by a post-entry declaration system.

Finally, customs tariffs will be revised for the purpose of simplifying and rationalizing the schedule of rates applicable at the point of entry.

VIII. Social Provisions

We are fully aware of the fact that the measures in our structural adjustment program designed to restore the nation's economy to health will inevitably cause a few difficulties in various areas of economic and social activity.

Recognizing these unfortunate and inescapable repercussions, the program provides for a series of compensatory actions to be taken with regard to food, health, and education.

1. With regard to food, efforts will be undertaken to ensure food security, for which a far-reaching program will be implemented, and to fight against poverty.

Toward this end, an early warning system will be set up under the National Grains Office to determine foreseeable output. The office will also be responsible for finding an acceptable response to the problems of food storage and marketing.

The food security program will also facilitate access to credit and producer goods for small peasants. From the same perspective, technical and financial assistance will be made available to farm operators to improve the gathering and storage of farm products by providing granaries for peasants.

2. In health matters, the program will concentrate on basic health care and protection of mother and child through expanded vaccination coverage, improved capacity for managing the health care profession, and the sale of essential medication in generic form. This will result in a significant reduction in unit costs and make basic health care accessible to every social stratum.
3. In education, the program calls for defining a new development strategy for the educational sector and a program of actions responding primarily to the need to revitalize basic education, to increase the enrollment rate for young girls, and to recognize the needs of the job market in planning for the training of managers.

Finally, with the support of funding providers, laid-off workers, young graduates and civil servants who voluntarily resign will begin to be placed in new jobs in an effort to redeploy the different sectors of national activity.

Comrades of the Central Committee of the People's Revolutionary Party of Benin, comrades of the Standing Committee of the National Revolutionary Assembly, comrades of the National Executive Committee, comrades representing the governing bodies of Benin, honorable guests:

Without any doubt, the agreement we have just signed with our Bretton Woods partners to implement the structural adjustment program for our nation's economy is the culmination of a conscious and responsible effort initiated by our party and revolutionary government in response to the lucid and rigorous diagnosis we courageously reached pursuant to the critical examination of all public and semipublic enterprises in April 1982.

In adopting the structural adjustment program, we have willingly, with order and revolutionary discipline,

entered into a decisive phase in our national struggle against the distortions and structural imbalances caused by the combined effects of under-development and the prolonged world economic crisis.

We now have before us the task of organizing ourselves in the best way to implement the program effectively.

It will not be easy. We know this and knowledgeably and responsibly wish to make it clear here today.

But whatever the costs, we must abide to the end by the irreversible choice we have earnestly and responsibly made in the paramount interests of the country we cherish, the People's Republic of Benin.

It is clear from the foregoing considerations that the rigor and determination with which we apply the structural adjustment program will be taken by the international institutions and the governments of friendly countries, which are our partners in economic and social development, as a basis for judging the seriousness of our people, our party, and revolutionary government as well as our real political will to work effectively for the recovery of our nation's economy and the revitalization of production.

This means that we must be as vigilant as possible against errors, results at variance with our goals and other failings that could compromise the expected outcome and place our country at risk of being caught up in a spiral of increasingly restrictive programs.

In any event, we have no doubt that the heroic people of Benin, proud of their glorious past and determined to continue to advance against all odds toward prosperity and social progress, will find the necessary resources in their rich historic and revolutionary experience to overcome any obstacle with ease and resolutely face the constraints and sacrifices entailed in the application of our structural adjustment program.

The stakes are high. We must restructure our nation's economy in such a way as to set it back on the road to growth in order to increase our wealth and satisfy the basic needs of the popular masses in our cities and fields.

In other words, we must work untiringly for a healthy and prosperous economy by reversing the existing negative trends, by eradicating the suffering imposed on our people by a general economic crisis, and by bringing a definitive end to the substandard performance of our present system of production.

The complete implementation of the structural adjustment program is a challenge. We, the men and women of Benin, must, therefore, carry it out rigorously and unfailingly and prove to the world and to history that the appeal to private initiative and the concomitant withdrawal of the revolutionary government from certain sectors of the economy are the answers to the inescapable exigencies of the prolonged world economic crisis.

And so, on this Thursday, 6 July 1989, we officially inaugurate the national campaign to popularize the structural adjustment program for our nation's economy.

We strongly urge our comrades in the popularization teams that will be crisscrossing the administrative districts of our country to explain clearly every aspect and element of the program and to respond to every question that will be asked by the working masses, as they cannot support and responsibly or earnestly participate without perfectly understanding the goals and the great stakes involved.

As for the hardworking masses in our cities and fields, we exhort them to give the popularization teams a warm and committed welcome, equal to their ability to rally to their interests, and to participate massively and actively in the awareness and information meetings.

Finally, we ask all social levels, classes and all socioprofessional and religious groups in our country to mobilize in a patriotic and revolutionary spirit and to summon the courage and determination to meet the challenge by persevering in carrying out our structural adjustment program and to bring about the recovery of our nation's economy and revitalization of production.

To conclude, we pay great tribute to all our partners in the social and economic development of our country, to officials of different levels in the World Bank and the International Monetary Fund, and to our nation's managers, for the laudable and fruitful efforts they continually gave in order to bring our difficult, but exciting and exalting, negotiations to a positive conclusion.

This is also the appropriate time and place to express once again our deep gratitude to the governments of friendly nations, to international organizations and institutions, whose various contributions will be decisive in the proper and flawless execution of our structural adjustment program.

Your excellencies, ambassadors, and representatives of the international organizations, we say thank you in the name of our people, our party, and our revolutionary government for your activities in our country to strengthen the friendship, solidarity and cooperation between our respective peoples and governments.

Ready for the Revolution! The struggle continues.

Ghana

Cooperation Agreement Signed With Romania

AB1509100489 Accra Domestic Service in English
0700 GMT 15 Sep 89

[Text] The 4-day review meeting of the Ghana-Romania joint commission for cooperation has ended in Accra. The two sides signed an agreement on trade and investments. The chairman of the State Commission for Economic Cooperation, Dr Don Arthur, and the Romanian

minister of chemical industry, Mr Ion Nicolae, who led his country's delegation to the meeting, signed the agreement. Under it, Romania is to increase the production base of rubber and palm oil through joint ventureship to enable her to enter into long-term contracts for the supply of the items. Romania agreed in principle to help increase the volume of bauxite production in Ghana and be supplied with 25,000 metric tons of the minerals. Ghana also proposed to Romania to offer her technology for the manufacture of universal tractors in Ghana. The agreement touched on the promotion and guarantee of investment of capital.

Dr Don Arthur said the agreement will help the two countries to enter into more ventures for their mutual benefit. He commended the commission for making the agreement possible, adding that the proceeds from a barter trade will be used to support concrete development projects. Dr Don Arthur said the private sector is being given prominence. He said as part of the overall strategy for development, the government has announced a policy to support private investment aimed at creating incentives to produce, export, and earn more for the country. A feasibility report on the Kibi bauxite deposit was handed over to the Romanian delegation for studies.

Mr Nicolae commended the commission for the hard work and gave the assurance that he will use his good offices to ensure that the agreement is implemented. He hoped that by next year, the volume of trade between the two countries would reach about 14,000 million cedis.

Ivory Coast

* Mounting Social Tension; Impatient Youth

34190348 Brussels LA LIBRE BELGIQUE
 in French 7 Aug 89 p 2

[Article by Marie-France Cros: "Ivory Coast Tormented By a Dull Restlessness: 'Too Many Foreigners' and Impatient Youth;" first paragraph is editorial comment]

[Text] A standard of development is beginning to tremble. Ivory Coast, which for a long time was an economic success and an element of stability in West Africa, is being shaken by the worst crisis that it has ever known. The cause is the drop in the prices of coffee and cacao, which is ruining the country. Now this shock has come as a certain amount of vacillation has become perceptible in the top leadership of the country. President Houphouet-Boigny, now 85 years old, seems to be too occupied with the construction of his basilica to prevent the drama that seems to be developing. We report here the restlessness developing in Ivorian society.

Mamadou, a teacher from Burkina Faso¹, grunts his disapproval, shakes his head in disillusionment, and says: "It is not good."

Relations between Ivorians and foreigners are more and more tense, at a time when the fall in the prices of cacao

and coffee has plunged the country into the most serious economic crisis that it has ever known. Last week an inconsequential incident between an Ivorian and a Mauritanian suddenly turned sour. The Ivorian said: "Did you see what happened to your brothers in Senegal?² One day your turn will come."

In Ivory Coast, when one says "foreigners," that does not mean the same thing to everyone. When Mamadou talks about it, he thinks, above all, of the Lebanese—particularly business people but also students and teachers—and of Burkinabes like himself. He says that the latter are facing police harassment to a growing extent.

Young Lebanese express themselves more briefly: "If you have a problem with an Ivorian, even if you are right, in the eyes of the police you are wrong, because you are a foreigner."

Threshold of Tolerance

This Ivorian teacher, who has lived in France but has little appreciation for Jean Le Pen, is past "the threshold of tolerance." In his view "the foreigners" are his competitors in the job market: the Beninese, better trained than the Ivorians by the French colonial system and who have maintained privileged access to senior-clerical positions³. Or the French, whom one can see everywhere in the shadow of the Ivorian leaders. This young man says with bitterness: "This is because Houphouet only has confidence in the whites." The Europeans reply: "Because they do not divert to their own use the money consigned to them."

Corruption is everywhere. Everyone complains about it but they all make use of it: small presents, frequent absences from the work place, pressures by teachers on young women students to agree to give them passing grades in their classes, and at times real rackets on the part of government officials. On a given road, where you could find 1 police post 10 years ago, there now are 5 posts. People complain: "That is, five occasions for taking bribes."

In this little game foreigners are always more vulnerable. You can demand more official documents from them: an identity card and a residence and birth certificate. And there is always one more document required that they do not have. In this case it is always the same song: "You pay 1,000 CF francs or the bus leaves without you."

Bulwark

Among the Ivorian people, a feeling of xenophobia has become general. A former deputy in the National Assembly stated: "There are more foreigners than there are Ivorians." In fact, President Felix Houphouet-Boigny has always followed a policy of openness toward the outside world, in accordance with his liberal views. In many cases, it is also true, foreigners hold positions that Ivorians covet, particularly jobs requiring specific qualifications.

However, Ivory Coast also puts up with innumerable maneuvers by all of the West African groups, some of them barely literate and engaged in bandit activity.

Regularly confronted with the hostility of the Ivorian people, many immigrants think that President Houphouet-Boigny is their only bulwark against a pogrom. For example, when in June and July five presidential appearances were successively put off or cancelled, concern sharpened. Mamadou, the Burkinabe teacher, said: "If the old man dies, people will be killed." Andre, a Burkinabe manual worker, agreed: "That would not be very good."

Are they thinking about leaving the country? Mamadou says: "Our life is here. It would be very difficult for me to find a job in Burkina Faso."

Others

Within himself everyone thinks that he will not be among those whose death they all fear. A Lebanese businessman thinks: "There will be 200 to 300 people killed, particularly foreigners. Then the bums will take advantage of the situation by attacking the shops." Could he defend his shop? He replied: "Certainly not that. The essential thing is that no one in my family should die."

Asked whether there will be people killed, our young Ivorian university student replied: "Who can say? The people have had enough of this. They have reasons for thinking as they do."

On the other hand in the view of an Ivorian journalist, nothing like that will happen. What he fears is something else. He pointed to his television set that replayed a free concert given several months ago in a stadium. "You see all of those young people there, dancing and clapping? One of these days they will do as they did in Algeria."

Young People

One of the problems of Ivory Coast is, in effect, the lack of job openings for its youth, who thought that going to school would guarantee them access to a job in the civil service. Now this has not happened. Even worse, the serious recession that the country is going through because of the crisis in the cacao and coffee markets—which support about two-thirds of all Ivorians—has affected everyone.

The young people are already angry. A few months ago they marched on the residence of the president to protest against unemployment. However, the police were able to disperse them. Will this always be the case? Our Ivorian colleague said: "They are tired of not having work. They see the corruption. They resent the older people hanging on to their jobs and keeping them from taking part. They are impatient."

85 Years Old

On 7 July a thinner President Houphouet finally appeared in public, thereby putting an end to the more and more perceptible tension. He commented ironically: "Radio Treichville reported that I had been evacuated in a Concorde to Val de Grace. But here I am."

In other words, public rumors reported that he was very ill and had been hospitalized in France. However, he was still here.

President Houphouet-Boigny is 85 years old.

Footnotes

1. From Burkina Faso, formerly Upper Volta. This country of the Sahel area has experienced substantial emigration to the Ivory Coast, the richest country of the region.
2. In May 1989 a number of incidents degenerated into a pogrom against Mauritians in Senegal. These acts of violence, which led to the death of several people, were followed by similar scenes in Mauritania against Senegalese. Tension continues between the two countries.
3. In 1958 the people of Ivory Coast committed acts of serious violence against Beninese. They felt that too many Beninese held senior-level clerical positions.

Mali

Foreign Minister Returns From Trip Abroad

AB1609140089 Bamako Domestic Service in French
1300 GMT 16 Sep 89

[Text] Dr Ngolo Traore, minister of foreign affairs and international cooperation, returned to Bamako this morning following a long trip that took him to France, Belgium, and Morocco. After attending the ninth non-aligned summit alongside the head of state, the foreign minister visited Paris, Brussels, and Rabat. Dr Ngolo Traore visited the three capitals to convey messages from President Moussa Traore to French President Francois Mitterrand, Belgian Prime Minister Wilfried Martens, and to His Majesty King Hassan II of Morocco. During the various talks that he held in these capitals, the Malian foreign minister reviewed cooperation relations between our country and these partners.

Ministers Leave for Dakar, Washington

AB1709120889 Bamako Domestic Service in French
0900 GMT 17 Sep 89

[Excerpt] The minister of finance and commerce, Tienan Coulibaly, and his counterpart of planning, Souleymane Dembele, left Bamako last night for a long trip that will take them to Dakar and Washington. While in the Senegalese capital, the two ministers will attend the meetings of the board of governors of the West African

Monetary Union and the franc zone from 19 to 21 September. In Washington, they will attend the annual assemblies of the IMF and the World Bank. Mr Coulibaly is Mali's IMF governor, while Mr Dembele is Mali's World Bank governor. [passage omitted]

Niger

Prime Minister Returns From Visit to Morocco

AB1709065289 Niamey Domestic Service in French
1900 GMT 16 Sep 89

[Text] Prime Minister Mamane Oumarou returned to Niamey yesterday after paying a 4-day official visit to Morocco at the invitation of his Moroccan counterpart, Dr Azzedine Laraki. The prime minister had earlier represented the chairman of the Higher Council for National Orientation and head of state, General Ali Saibou, at the Ninth Summit of the Nonaligned Movement, which was held from 4 to 7 September in Belgrade, Yugoslavia.

Nigeria

Foreign Minister on Mission to Angola, Zaire

AB1709153489 Lagos Domestic Service in English
1500 GMT 17 Sep 89

[Text] The external affairs minister, Major General Ike Nwachukwu, left Lagos today on a special mission to Angola and Zaire. A statement of the ministry said Gen Nwachukwu will deliver special messages from President Ibrahim Babangida to Presidents dos Santos of Angola and Mobutu Sese Seko of Zaire. It further explained that the mission was a further attempt by President Ibrahim Babangida to find a lasting solution to the Angolan problem. Maj Gen Nwachukwu, who was accompanied by top officials of the ministry, is expected back in Lagos tomorrow.

* Government Policy Blamed for Plunging Naira

34000783c Lagos THE AFRICAN GUARDIAN
in English 14 Aug 89 pp 12-17

[Article by Felix Obanya, with reports from Paul Nwabulukwu, Debo Adesina, Emeka Ogbelde, Lucky Flakpa and John Hwaobl: "Who's Killing the Naira?"; "Flying Allegations as the Naira Takes Unrealistic Value"]

[Text] When Peter Osagie flew last November from London, his one big fear was how to cover his mother's burial ceremony expenses with the 'meagre' 2,000 pounds sterling he brought. The 28 year-old Bendelite had reckoned that at the worst he would get 4,000 naira after exchanging the money and make up any other expenses through friends. But he grossly underestimated what he had. He touched down at the Murtala Muhammed airport, Lagos and quickly struck a deal with a foreign exchange dealer. What he got amazed him.

Just 500 pounds sterling had been translated to wads of naira, at an astonishing rate of 15.00 naira to the British pound. It was only worth 1.80 naira each when he left in 1983. He was frightened. He quickly flagged down an airport cab, and dashed off apprehensive that a trail was almost imminent. When he narrated his story to Benin, his relatives were full of laughter. That was the true situation. The naira was hardly worth a dime any more. In fact, they told him he could have got more naira if he knew the market better. Of course Osagie got through with the burial ceremony, and comfortably too.

Ever since that period, the numerous convertibles traded at both the official foreign exchange market and parallel market had firmed up against the naira. In both markets, they have made over 100 percent increase in their ratings. If against the naira there is any aspect of the Structural Adjustment Programme that has given many Nigerians, and increasingly the government much concern, it is the declining fortune of the currency, which has been pushing up inflationary rate up from 25 percent last year to 45 percent last April. According to Felix Omusi, chief executive of a Kano-based chemical firm, the biggest problem of the Structural Adjustment Programme, (SAP) is the naira. As he put it, "it holds the key to other aspects of the current problem." He argued that it was wrong to have narrowed SAP down to the business of adjusting the value of the naira. His stance may be right, for the exchange rate is the most volatile and visible aspect of SAP. According to Ayo Ayoola an economist with Commerce Bank, the most potent effect SAP is the unprecedented hike in prices of consumer goods.

Since the SAP was introduced in June 1986, (and Foreign Exchange Market three months later) the exchange rate of the naira has continuously declined. On September 29, 1986, the first day of the bidding, it fell from about 1.50 naira to \$1, to about 3.50 naira to the dollar. By last week, it was exchanging for 7.22 naira to the \$1. Such a huge fall within three years is bound to attract criticisms, especially from those who as a matter of necessity have to deal with other currencies. Moreover, because of the heavy dependence of the economy on other economies for vital goods, the impact of the decline has continued to reflect on the rising inflationary rate.

There is no doubt that it was the merger of the auctions and autonomous foreign exchange markets in January this year that finally carpeted the naira against the convertibles. In the first bid this year it went down about 29 per cent as against the 5.35 naira that it exchanged for the dollar as at December 31, 1988. Steadily, it has glided, reaching a frightening rate of 7.68 naira to \$1 in February. By the time the Central Bank of Nigeria (CBN) first quarter review for 1989 came out in April, it was clear that the rate at which devaluation was going, the naira could exceed the 8.00 naira to \$1 mark by that April.

Hurriedly, several measures were churned out to arrest the fall. These policies include the following: all foreign-guaranteed loans were recalled. Consequently, the CBN

withdrew about 1.4 billion naira from the banks. In addition, by May 28 all government parastatals were directed by the accountant-general J.O. Adewuyi, to transfer their accounts from the commercial banks to the Central Bank. Many banks lost considerable accounts which totalled 8.8 billion naira to the CBN.

Despite these measures, the CBN on June 19 notified the nation's 85 banks that their two accounts—current and foreign exchange—have been merged. The implication was that as many as 19 banks discovered that their accounts were in the red. Thus, for the first time since the biddings started in 1986, banks stayed off the foreign exchange biddings, consequently on the CBN's assertion that only those with clean accounts could participate.

Expectedly, the cash crunch experienced by most banks and the failure of 19 of them to bid let off some pressure on the demand for foreign exchange. The naira thus responded positively, exchanging for 7.22 naira to \$1 up from 7.32 naira to \$1 on June 23. By June 27, it was clear that the naira had picked up steam. For most of the week ending June 27, for the first time this year, its exchange value came under 7.00 naira to the \$1. It went for 6.92 naira to \$1. By the following day, it had showed so much strength that all the banks that day were asking for below 7.00 naira to the \$1. In fact the initial rate for that day was 6.85 naira to the dollar.

But that was where the euphoria ended. For even the following day when all the 61 banks came up with lower bids of less than 7 naira to \$1, and against all expectation that the official exchange rate would be below that figure, the CBN came up with 7.14 naira to the \$1. What went wrong, especially as the rate stayed on for the next three weeks irrespective of demand and supply of foreign exchange? Has the CBN been fiddling with it? Several arguments have been posited for that action. The latest fixture of the exchange rate was the fourth occasion when the CBN will overtly intervene in the market (which it has always done to bring the value of the naira down when it suddenly gained strength against other convertible currencies).

In elementary economic laws of demand and supply, that means some factors beyond market forces were at work. In his spirited defence of the CBN action, Tony Ede, corporate affairs manager had in a reply to scathing criticism of the CBN action by the press, argued that the role of market forces in determining exchange rate were only partial. As he put it: "the rate of the naira is determined by several factors which include the weighted average, the simple average, the highest bid and the lowest bid quoted by the participating banks as well as intelligence reports gathered by the CBN."

Plausible as these assertions may look, they clearly leave loopholes. It is hardly convincing, for instance, that the rules change readily only when the naira is appreciating. The effect of this is that the CBN has come under severe criticism for allegedly aiding the fall of the currency for which the 1958 ordinance which set it up mandated it to

protect. Many even believe that the press action was inspired by what they refer to as "unforeseen hands" that dictate to the monetary authorities. For instance, Ashikiwe Adione-Egom, publisher of FINANCIAL POST, believes that the CBN is not acting without external pressures. Says he: "I think the CBN was forced by our external creditors to force the depreciation of the naira." But why should the external creditors want to see the naira down, and why should the CBN, as critics say, want to play along?

Ezera Kalu who runs an engineering service in Lagos says that the managers of the economy do not seem to know that European investors want to protect their investments and create job opportunities for those back home by frustrating the naira from competing with their currencies. He feels that the dreaded International Monetary fund IMF and World Bank are calling the shots. He says: "Our economy is being teleguided by the IMF and World Bank." For some reasons a low naira will be of use to some creditors. First, the low value of the naira to the creditor means that if he decided to redeem some of its credits with Nigeria in her debt for equity programme, he picks up more investible naira. But if the naira suddenly gains strength, then he earns less in the process. And that may discourage him from redeeming his credit. Another plausible reason is that a strong naira would encourage the country to return quickly to the "squadernia days", thus reducing the chances of creditors getting paid back soon.

And for the CBN, the reasons are almost familiar. First, a low exchange rate of the naira will theoretically encourage exportation of goods and services, as well as discourage importation. The second argument is that such an environment will attract investors from overseas, who will want to reap maximally from the windfall.

Laudable as these targets may look, they are not faultless. There is hardly any doubt that exports, particularly non-oil ones, have edged up in the last two years. But not significantly enough to make much difference to the fortunes of the economy. The exportable non-oil items remain largely commodities whose prices are beyond the country's control. In fact, the demand in many cases is equally artificial as buyers engage in stockpiling to enable them to beat prices. With collapsing world prices of commodities, the income from that source in future looks even more bleak. Thus even if production was beefed up, in response to the increased naira earnings of the exportables, there is hardly any market to pick all the goods. There lies the dilemma.

Although the target of non-oil exports of \$1.3 billion for 1989, up by \$200 million in 1988 may be exceeded, the sector is unlikely to replace oil as the mainstay of the Nigerian economy. Even then the export activities of the commodities have dammed production in certain sectors. For instance, beverage producers got a pinch of the cocoa beans export when a tonne went for 24,000 naira in March. Many of the local manufacturers ran into problem because they could not get their cocoa butter

and powder from the three processing plants at Ikeja, and Ile-Oluji (Ondo State) which had closed down due to lack of adequate supplies.

Despite the low exchange rate, the expectation was that like the Malaysian experience, investors could have flooded the country. Even with the additional job of fashioning an industrial policy as well as an external policy heavily hedged on economic relations investors are almost as distant as they were before SAP was launched in June 1986. Why investors still keep off must be disturbing the government. But the truth is that attracting foreign finance requires more than massive devaluation. The political climate must be right. And the infrastructure equally attractive. However the worrisome aspect of the exchange rate is the alleged manipulation of the naira by some forces.

Speculations are rife that many banks help in this regard by funding the parallel market. Dr. Oladapo Fafowora, executive director of Manufacturers' Association of Nigeria believes that such activity may have been taking place. Said he: "Industrialists and even a few frank and conscientious bankers have complained about this. In situations of scarcity, the banks are taking undue advantage to make unwholesome profit". That, according to informed sources, may be responsible for the seemingly huge gap between the official rate and that of the parallel market.

The argument is that banks bid excessively for foreign exchange because they reap huge incomes out of the difference between the rate CBN offers them, and what they ultimately sell to the buyer. The aim perhaps is to push up the rate in the white market, thus increasing their profit margin. How they carry out the alleged function without the CBN's knowledge is amazing. The suspicion is that they engage in round-tripping (that is channeling official fund to the parallel market). This is an issue that was clearly identified from the beginning, as the main loophole in the exchange system by IMF officials.

To beat the law, the banks seem to have devised a techniques. Because such transactions are done through cheques and such documents passed on to the CBN, they often request two cheque leaves from prospective customers. The cheque which indicates the actual exchange rate is eventually presented to the CBN during inspection and documentation. The other shows the real amount to be drawn. Another area which has become suspect for short-changing forex seekers is the prevailing habit of some banks of falsifying claims—by changing applications for forex and putting in totally wrong figures.

While banks are accused of fiddling with the naira, manufacturers and businessmen can hardly be absolved from the messy state of the currency. Many business outfits that are desirous of foreign exchange, often indulge in excessive biddings. They do this by opening accounts in several banks at the same time. For instance, a company which really needs only \$50,000 may make demand of that amount severally in 10 banks. They do

this with the hope that no matter the trickles that get to them for each bank, they may ultimately get their full demand of \$50,000.

But that is not where the trouble stops. The firm's aggregate demand for foreign exchange amounts to \$500,000. And with others from similar organisations, the aggregate demand level escalates. In reality that demand level is phoney. But it is often enough to jack up the value of the convertible currencies against the naira. More than anything else, many manufacturers are almost always willing to pay the parallel market rate to pick up foreign exchange from other sources. In desperation to get foreign exchange at all cost, the real level of the naira is often lost. However, there is an argument that the true market price lies somewhere close to the parallel market rate. The belief is that leaving the naira to grudge along in an economy that is import-oriented will mean taking the currency to the turf. And that has its political implications. The resultant hyper-inflation could exacerbate social tension in the country.

Despite the seemingly convincing reasons for the massive devaluation of the naira, the question remains: has the end justified the means? Depending on who is asked, the answer is yes or no. Among proponents of the strategy, the argument is that at least the importation syndrome noticed before the introduction of SFEM [Second-Tier Foreign Exchange Market] has subsided. That in itself is contestable. It is not difficult to point to figures showing that importation of goods and services have gone down between 1987 and 1988. To attribute less importation to SFEM is faulty. The gross earnings of the nation have declined considerably from an average of \$20 billion per year in 1983 to less than \$6 billion last year.

But even so, the high demand for forex which characterised the cumbersome and corrupt import license regime is still as prevalent as it was before. Thus today, more than ever, the demand for forex remains exceedingly high, despite the seemingly reduced supply of foreign exchange to the market by government. Hence despite the increasing cost of the dollar, the clamour for it remains high, notwithstanding the various mopping exercises to rid the economy of excess liquidity.

The inability to achieve the right target, has raised questions, of whether the wrong instruments are not being used to pursue desirable goals. Ashikiwe Adione-Egom believes that what is being applied is the wrong prescription. Says he: "The right theory is being applied to the wrong context." The premise of his argument is that due to the inconvertibility of the naira, not much will be achieved through the bashing of the currency. According to him, the expectation of reduced import activity can only happen when you are dealing with convertible currencies.

The problem is, if the present strategy is faulty, what is the alternative? Views on the issue are diverse. To Professor Eghosa Osagie of the Nigerian Institute of Policy and Strategic Studies, NIPSS, 2.5 naira should

exchange for one dollar. He contends in a paper he presented last month at the Nigerian Institute of Bankers 1989 mid-year budget review, that studies conducted by NIPSS in 1987 on the Purchase Power Parity Ratio (PPR) of the dollar and the naira (the amount of goods and services they can command in their various domains) revealed that the exchange rate of the naira should be between 2.50 naira and 3.50 naira to a dollar.

The contention of the NIPSS economist is that the present lows rate of the naira is informed by speculative biddings by "speculators." Osagie's reasoning appears sound. In recent times, many of the authorised bidders have found it difficult to pick all their winnings.

Many bankers who had in the past expressed concern about the fortunes of the naira are becoming restive about its fate. On July 26, Chief (Mrs.) Dorcas Kuforiji-Olubi, chairman of the United Bank of Africa, came out more openly. In her terse speech, she bemoaned the drastic fall of the value of the naira and cautioned about the consequences. As she put it, a "further depreciation of the naira will undermine gains in industrial utilisation, exacerbate inflationary pressures, worsen the unemployment situation and generally lead to stagnation of the economy."

In spite of her suggestion that to shore up the value of the naira, import mix must be monitored, there was no pointer as to what she would like the naira to be, vis-a-vis the dollar. This posture appears to be the mark of most bankers who call for a more realistic level for the value of the naira without being definitive. The contention of some bankers is that it would be unrealistic to pin down an absolute figure. Ashikiwe appears to share a similar view. He feels that the foreign exchange function in Nigeria is "a discontinuous one." He argues that because of this, there is an infinite of realistic exchange rates. Says he: "If we pursue this infinite at one rate or the other we will find out that the naira has no exchange value."

But Alhaji Umaru M. Liman, managing director of Access Bank counselled that the solution for curbing inflation should not be restricted to monetarist approach. His argument is that inflation in Nigeria is not monetary. He contends that the present CBN's approach will only remove the monetary element of inflation. What is required in his opinion is a massive supply of goods which would remove demand-pull element in it. His submission is that the two approaches will bring about a realistic determination of the naira's value.

Liman's argument holds water only if local industry, which has been groping under a credit squeeze can increase capacity utilization significantly. Unfortunately, industrial chieftains such as Oladapo Fafowora doubt whether the 1989 projection of 60 percent level, up from 40 percent last year, could be achieved. He believes that any effort at shoring up the value of the naira lies with the government. According to him, "the naira will appreciate when government reduces waste and public expenditure."

The CBN, it appears, is not willing to fix a rate, even though it looks uncomfortable with any rate below 7.00 naira to \$1. But sources at the CBN confirmed that as of now, rates at the IFEM are not being determined solely by market forces, because of what they described as "banks simply not playing to the rules of the game." This is a situation where the demand of banks keep increasing while their asking prices keep fluctuating.

But then how should the exchange rate be determined? In theory the instruments required are the following: the levels of inflation, level of reserves to finance imports (the Bench Mark is a level that should finance at least four months' import) the level of Gross National Product and the terms of trade. The assumption is that if all these factors are positive, the currency should be strong.

But ironically, these indications are on the negative side in Nigeria. In spite of this, the issue of an ideal rate remains vague. According to Professor Dotun Philips of Nigerian Institute of Social & Economic Research, (NISER) Ibadan, it is difficult to talk of an ideal exchange rate. His words: "The FEM was designed to find the real rate for the naira but no one knows just when the real rate will be arrived at." Explaining his position, he argued that at one breath the CBN complained that the naira was under-valued due to excess liquidity in the system and by the activities of the banks. But just when the naira started picking up, the CBN intervened to lower it, thus giving conflicting signals to the economy.

There is hardly any doubt that there are conflicting statements which the recent measures have elicited. While Chief Olu Falae, secretary to the Federal Government, predicted at the DAILY TIMES Forum July 3, this year, that the naira will continue to appreciate in response to the series of recent government mopping up exercise, the CBN responded rather casually a fortnight ago, that its intelligence unit has shown that there is nothing in the economy to warrant a strong naira.

The whole issue boils down to rhetorics and inconsistency in policy evaluation. What rate does the CBN want for the economy? No one appears to know. Not even its officials. But Philips argued that "if we really insist that we want a strong currency, why reduce supply?" He further inquired that "if we have all the scientific instruments to determine the exchange rate as claimed by the CBN, why bother the banks to bid daily?" Philips believes that the problem of industry lies on its heavy dependence on imports of raw materials which he said is between 58 and 67 percent as against 20 to 30 percent in Japan and other developed economies. He concludes that as long as this trend is so, the underlying factor is supply and demand, and the real rate for now should revolved around 5 naira and 7 naira to \$1.

At this rate, will demand equate supply? Ashikiwe disagrees. He believes that there will always be excess demand because the naira is not convertible. According to him, "the demand of a non-convertible naira will always be in excess of the convertibles." While it is

desirable to see how the external value of the naira can be gauged, the internal mechanics must be streamlined and consistent.

Dr. John E. Ezike, chief executive of Omega Finance, Lagos says rate determination must follow a standard methodology. As he put it: "It becomes problematic when the rules keep shifting by the day." And there lies the danger. The government had in the past churned out differing rules of the foreign exchange market. None appears foolproof.

For the economy, the present exchange rate regime is hardly desirable. Planning in industry is almost a futile exercise. And where they come close enough, the error margin is too wide to allow for reliability. The result is that inflation, which the last two budget had unsuccessfully fought to cage, has developed into what looks like an uncontrollable monster.

One good thing that came off the new exchange market is equal access to the available funds. But the pressures on the market have not only driven the naira down, they have also succeeded in importing inflation. Today, in industry, where capacity utilization has edged up from 40 percent last year to 50 percent, the problem is how to reduce escalating cost of production which is occasioned by rising cost of the dollar. The consequence of this situation is that costs of manufactures have moved up significantly since last year, spurring many of them to launch or re-launch sales promotion efforts.

Apart from this, the new foreign exchange market has meant that some key company staffers have had to continually go to the banks, in search of dollars and pounds sterling. Invariably, such an ordinary chore, has deprived firms of the managerial skill of such staff. With the type of hassles that go into the business, shady deals cannot be ruled out. Many firms, including the big ones, have since found out that putting "all their eggs" in one basket will not do the trick. Consequently, it has become the vogue for a firm to spread its deposits among several banks, all in the hope of picking foreign exchange here and there. The price of this activity is excessive demand pressure which ultimately pushes down the naira value.

Arguments abound on exactly how much the naira has gone down percentage wise. Dr. Michael Omolayole, an industrialist and member of the Presidential Advisory Committee on Economic Recovery, agrees that the naira has declined, but not as much as widely acclaimed. Says he: "It is true to say that the naira has depreciated by almost 85 per cent since December 1985".

Although Omolayole had last June in a paper titled "Nigeria's Development Policy Measures and Export Growth," argued that "no currency depreciates by 100 percent or more, else it ceases to be a currency." There are analysts who hold the view that the present devaluation of the naira from 1 naira to \$0.7522 as of August 29, 1986 to 7.2 naira to \$1 as of July 31 this year is over 600 percent. Moreover, the average daily funding of the market had continued to depreciate despite increasing

earnings. In 1988, the monthly average was \$242.5 million as against \$140 million since January this year.

Arguably, the naira remains under-valued today as it was over-valued in 1986. But very few seem willing to stick out their necks on where the fate of the currency should hang. Like many of them, such as Ashikiwe, had said, 7.14 naira to \$1 is very unrealistic an exchange rate. Even then, the sharp practices of all the players must be curbed if the terrain is to witness clean dealings. But even then, it is hardly desirable now to allow the naira to float indefinitely. The truth is that it will take more than a decade to muster sufficient strength to halt a decline. For the naira to ascend freely, the nation must wait for a long time. However, the trouble is that like the double-edged sword, exchange rates must favour either internal or external interests. Which was why Osagie cautioned that "the authorities should muster enough political will to check decisively the destabilising speculation against the naira by spurious foreign dealers in export commodities."

Even then, the manipulation of the exchange rate is expected to help reduce government deficit, dampen interest in excessive importation, thereby easing the balance of payment deficits. But it appears that is not the case. The Central Bank in its 1988 annual report acknowledged that the sky is hardly less cloudy today than it was in the preceeding year—the first full year of SAP. According to it, "the pressure on Nigeria's balance of payments position as measured by movement of external reserves, swung from a surplus of 159.2 million naira in 1987 to a deficit of 2,294.1 naira in 1988."

For many critics, the balance of payments problems today merely go to show what many of them had argued in the past that not much would be achieved through the technique of exchange adjustments. But among proponents, using rate to achieve some desirable objectives is as viable as ever. However, for now their argument lies squarely on the accusations of manipulation. All of them—banks, the CBN and private sector and government—are accused of being involved in the fall of the naira. Ironically, none of the accused is willing to be held responsible for the pains which the naira, and by extension the Nigerian economy and its people are going through. Is the naira finally set for the guillotine? Many Nigerians would think so, even if the government, through the CBN, says something to the contrary.

Senegal

* Army General Named To Quell Discontent

34190300c Paris LA LETTRE DU CONTINENT
in French 13 Jul 89 pp 5-6

[Article: "A General for the Army"]

[Text] Colonel Amadou Dieng, who was named army deputy chief of staff on 1 July 1989, was promoted to brigadier general on 3 July. General Dieng, a 57-year-old Wolof from Saint-Louis, is nearing the end of a military

career which, before independence, took him to the northern borders of Mauritania and [Western] Sahara (Rio de Oro) with the French army. Later, between 1970 and 1974, he was an aide-de-camp to President Leopold Senghor, then served in Lebanon at the head of the first Senegalese contingent of the United Nations force in the late 1970's, and in eastern Senegal (at the time of Kukoi Samba Sanyan's attempted coup in Gambia) before being posted to Ziguinchor during the unrest in Casamance.

Gen. Dieng's promotion should dampen the unrest in the army, which still has problems accepting the leadership of Chief of Staff Mansour Seck, an air force general. Dieng was one of the heroic group of infantrymen who, while serving under former Chief of Staff Tavares Da Souza, helped foil an attempted coup d'etat in Gambia. He was also responsible for the security of the western military zone (including Dakar) during the recent presidential elections. Well-liked in the army, this loyalist general is not likely to pose a threat to Gen. Mansour Seck, since he himself is not eligible to become chief of staff.

*** PS Rank and File Resist Census Measures**

34190300b Dakar LE SOLEIL in French 7 Jul 89 p 6

[Article: "Urgent Action To Improve Implementation of Congressional Resolutions"]

[Excerpt] The Executive Bureau of the Socialist Party [PS] met on Wednesday, 5 July 1989, at the National Assembly under the chairmanship of its secretary general, President Abdou Diouf.

During the meeting the Executive Bureau heard a presentation by Mr Jean Collin, national political activities director, on the status of the census-taking and membership campaigns, which are running into real obstacles with party authorities at the grass-roots level.

The political activities director also discussed the dialogue between the PS and the Party for Independence and Labor (PIT).

With regard to the census-taking and membership campaigns, the Executive Bureau decided to take vigorous measures to overcome the observed lassitude in implementing the resolutions of the special congress of 4-5 March 1989 on renovation and opening.

Similarly, because of resistance encountered in the census and membership campaigns, the PS Executive Bureau called for urgent action to monitor and improve implementation of the congressional resolutions.

The Executive Bureau, therefore, approved the proposals of the political activities director and established a national committee to follow up on the decisions of the special congress and make preparations for the upcoming regular party congress. This committee, which replaces the committee that organized the special congress, is constituted as follows:

President: Jean Collin.

Members: Abdoul Aziz Ndaw, Mamba Guirassy, Lamine Diack, Djibo Ka, Moustapha Ka, Robert Sagna, Abdoulaye Diack, Abdoulaye Chimere Diaw, Moctar Kebe, Samba Yela Diop, Louis Dacosta, Mamadou Faye, Khalifa Sall, Madia Diop, Fatoumata Ka, Doudou Sine, Ousmane Blondin Diop, Mamadou Abbas Ba, Oumar Kante, Ousmane Tanor Dieng, Seydina Oumar Toure, Bara Diouf, Andre Sonko, Bocar Seck, Mamadou Diop, and Ramatoulaye Seck.

The Executive Bureau decided that the committee will be expanded to include other comrades. It said the committee will directly supervise the census and membership campaigns, sale of party cards, membership renewals, and also organize the upcoming regular party congress. The Executive Bureau asked the new committee to hold its first meeting on Wednesday, 12 July 1989, at 1800 hours at Party House.

With regard to the dialogue between the PS and the PIT, the Executive Bureau decided to stay in contact about unresolved questions, but also to propose to the PIT Political Bureau that a new meeting be scheduled for Tuesday, 11 July 1989. The secretary general designated Mr Collin to head the PS delegation to that meeting.

*** Japanese Hospital Grant, Debt Rescheduling**

34190300a Dakar LE SOLEIL in French 4 Jul 89 p 3

[Article by M. Traore: "Two Billion From Japan: Renovation of Kaolack Hospital"]

[Text] Mr Serigne Lamine Diop, minister of economic and financial affairs, and Mr Mitsuhei Murata, the Japanese ambassador, signed an exchange of notes that will lead to Japanese assistance totaling about 6.103 billion [CFA francs]. The nonreimbursable grant aid will go to three projects: the small-scale rural development project (945.3 million), the renovation and equipping of the Kaolack hospital (1.983.3 billion), and installation of generating sets for the Bel-Air power plant (3.220 billion). In addition, no less important than these gestures of solidarity, Japan is consolidating and rescheduling debts our country owes to OECF [expansion unknown].

The economic minister underlined the importance of Japan's active solidarity with our country, observing that "since 1977 Japan has always come through for us." In addition to these substantial contributions, Japan has provided training and sent training personnel to Senegal, he said. Pointing out that this is the first time we have signed a rescheduling agreement with Japan, Mr Diop said that on behalf of President Abdou Diouf and the people of Senegal he wished to thank the Japanese people for their generous contribution.

The Japanese ambassador said these subventions, intended to promote agricultural development and improve rural living conditions, show his country's determination to support the commendable efforts of the Senegalese Government. He said similar benefits will accrue from the renovation and equipping of the

Kaolack hospital, a project which should give our government new resources with which to carry out an effective public health policy.

Mr Murata said he hopes the debt rescheduling agreement will provide direct balance of payments support and help Senegal implement its courageous structural adjustment.

* Estimate of Losses Blocks Solution to Tension

34190293a Paris JEUNE AFRIQUE ECONOMIE
in French Jun 89 p 113

[Article by R.L.]

[Text] The lack of reliable figures makes it impossible to estimate the number of Mauritanian nationals in Senegal before the start of the conflict except by piecing bits of information together. Somewhere between 300,000 and 600,000 is the accepted figure. It is estimated that the number of Senegalese in Mauritania totaled somewhere between 70,000 and 120,000.

Numerous in commerce and the butcher business in Senegal and in fishing and mechanics in Mauritania, the expatriates have played an important role in the economies of their host countries. Although they were expelled or left voluntarily, they were perfectly integrated into the economic life of the country they had been living in.

Before the conflict, 80 percent of Senegal's retail and "mini-retail" trade was controlled by Mauritanian shopkeepers, who owned nearly 14,000 shops, according to the Senegalese Ministry of Commerce.

In Dakar, the National Employers Council (CNP) says that 20 billion CFA francs is the generally accepted figure as regards the sums owed by Mauritanian merchants to manufacturing companies or wholesale firms. According to experts at the Central Bank of the West African States (BCEAO), the figure totals [text illegible] billion CFA francs. Extensive supplier's credits had been granted. Settlement is usually made 30 days after the end of the month. Companies such as the West African Tobacco Factory (MTOA), the oilworks (Seib [expansion unknown] and Sonacos [National Oil Products Marketing Company of Senegal]), the Industrial Dairy Products Company (SIPL), the soap factories, the cookie factories, and a sizable number of import merchants will have to write off a good share of their operations as a loss.

In some companies, production is being disrupted by difficulties with distribution. The Mauritanian shops were looted. And the average inventory value in shops located in the Dakar region was 4 million CFA francs.

Senegalese banks were hit just as hard by this trade "crash" as the sectors of meat distribution, water distribution (especially on the outskirts of Dakar), security services, and so on. Although the extent cannot be

assessed, household savings also suffered from the situation. Senegalese have always used the Mauritanian shopkeeper as a banker. The Senegalese weekly WAL FADJRI reports the case of a teacher who will be unable to recover the 70,000 CFA francs—the equivalent of his monthly salary—which he had lent out. In Mauritania, the entire fishing industry has been disrupted. The price of fish tripled in a single week, even though fish are particularly abundant in Mauritania's coastal waters. The small fishing ports are almost deserted. In the markets, vegetables are disappearing from the shelves. Mauritanian authorities intend to forestall the real danger of a general explosion in prices. Also disrupted are public transportation, the services of mechanics, small crafts, and construction.

More serious for the Mauritanian economy is the drop in foreign exchange earnings. With its budget of 60 billion CFA francs, Mauritania welcomed with open arms the some 8 billion CFA francs repatriated every year by its nationals in Senegal. Some Senegalese sources advance the implausible figure of 30 billion CFA francs per year (a figure immediately denied by Mauritanian authorities).

Assessing the Property of Those Expelled

Both Mauritania and Senegal are attending to the most urgent matters first. But an important dispute remains: how to assess the value of the property of those expelled and then compensate them?

Senegal is using the pretext of enforcing the exchange regulations in effect in the franc zone to justify its improper confiscation of property belonging to expelled Mauritians. In both Dakar and Nouakchott, sizable sums were confiscated as people were leaving, and no receipts were given. Only an international commission of inquiry will be able to attempt an objective evaluation of the amounts due and enable those expelled on both sides to recover the fruit of decades of work.

* Environmental Problems Add to Border Unrest

34190293b Paris JEUNE AFRIQUE ECONOMIE
in French Jun 89 pp 110-112

[Article by Rene Lake and Jerome Bahus; first paragraph is JEUNE AFRIQUE ECONOMIE introduction]

[Text] Taming nature is not without its risks. The development program for the Senegal River is the best proof of this, with its unfortunate results for both the Senegalese and the Mauritanian community.

Incidents pitting Senegalese farmers against Mauritanian stockraisers broke out in the Senegal River basin area—to be more precise, in the village of Diawara in eastern Senegal—on 9 April. Those incidents led to bloody disturbances in several Mauritanian and Senegalese cities. There were 3 weeks of manhunts in both countries, with nearly 300 dead as a result.

Despite their seriousness, the incidents in Diawara cannot really explain the bloody turn taken by events. As early as 1977 in Maudiery, a village neighboring on Diawara, a disagreement of the same kind had left three dead.

In that region, conflict between farmers and stockraisers is almost permanent. So why did it become more widespread this time? The economic and political stakes must be high to cause such a descent into horror.

The Sahel climate, which is characterized by periods of drought, is now becoming so severe that experts are coming around more and more to the idea that Africa has been growing steadily more arid since the Middle Ages. If so, this means that the improvement noted in recent years is no more than a respite.

Many environmentalists and cartographers are predicting that the area is going to become more and more arid after the year 2000. Human action is truly the deciding factor.

Zone of Convergence and Intermingling

For many long centuries, the Senegal River Valley has been a zone where various groups have converged and intermingled, resulting in an ever-increasing need for wood. The increase in cultivated area is also causing the tree cover to deteriorate, considering that wood consumption is on the order of from 0.70 to 1.25 cubic meters per inhabitant and per hectare. The imbalance in the natural environment is a most disturbing phenomenon. The cost of reversing the trend will soon be prohibitive.

In the year 2000, the extent of wooded area will have diminished by 1.2 million hectares because of uncontrolled cutting. That represents a loss of 11 percent. By adding to that the amount lost through government deforestation activities, we can expect a total loss of 20 percent. These data, which apply only to Senegal, call for special attention on the part of all the Sahel states.

It is generally accepted that 40,000 hectares of land were cleared annually between 1976 and 1980, and that figure is threatening to rise to 60,000 hectares in coming years. The effect on the soil is disastrous. The rapid rate at which sand is drying out in the north makes it all the more sensitive to wind action. The surface erosion of soils decreases their pedological and agricultural value. The result is that throughout the Sahel, the struggle for survival is linked to control of arable land.

To halt the disastrous way things had been going until then, Mali, Mauritania, and Senegal—the three members of the Senegal River Development Organization (OMVS)—decided to build two dams (the Manantali and the Diama) on the Senegal River. Construction is now almost complete, and 350,000 hectares are becoming suitable for cultivation. We have now entered the "post-dam" period, and appetites are being whetted.

Over the past year, Mauritanian businessmen have been leaving their offices in Nouakchott to go make their fortunes in agriculture in the southern part of their country. Land problems are already arising. Edict No 83,127 of 1983 does not provide a way to resolve the latent conflict between black Mauritians living along the Senegal River and the newcomers, who for the most part are all Bidan (white Moors).

Businessmen in Senegal are on the lookout. New companies are being formed. The debate is under way: will large domestic and/or foreign firms be favored over the peasant family and community structures? In this period of unprecedented economic crisis in both Senegal and Mauritania, those stakes are important.

It should be recalled that nearly 1 year ago, following the postelection disturbances in Senegal, President Abdou Diouf reduced the producer price of peanuts to 70 CFA francs per kilogram, thus simultaneously encouraging thousands of farmers to change to other crops and promoting the seed supply to a parallel market that was uncontrolled but more profitable to the peasant. Mauritania was one of the final destinations. Development of the river valley represents enormous potential for irrigated agriculture and energy. Its effects will extend to other sectors such as river navigation, tourism, communications, and trade as well as certain processing industries.

Avoiding the Path of Violence

During a seminar held in Dakar on 30 and 31 March 1989 by the South Group-Communications, Mauritanian, Senegalese, and Malian researchers and intellectuals, already aware of the tremendous economic stakes, sounded the alarm 10 days before the unfortunate incidents in Diawara: "The land problems should be dealt with chiefly from the standpoint of the needs and interests of the extensive peasant groups of all ethnic origins and the need for their emancipation from the dominant classes while ensuring the necessary contribution by domestic or foreign capitalism, in an appropriate and controlled form, to agricultural development (agribusiness). In any case, the solution to intercommunity problems should never take the path of violence, and instances of particularism, regardless of their nature, must never take precedence over national dialogue and consensus."

At the political level, both countries are experiencing difficulties. In Mauritania since independence, racial problems have constantly presented themselves. At the time of independence, the population was 80-percent Bidan and 20-percent black African. It is estimated that the blacks now comprise nearly 70 percent of the population.

In recent years, black students and government employees have opposed the introduction of Arabic as the working language. Last year, three black military officers, accused in unconvincing circumstances of fomenting a coup d'etat, were hastily executed. The country's blacks reacted firmly. Only the Haratin (freed

slaves) held back. Even more recently, a symbol of the black Mauritanian intelligentsia, writer Yene Youssou Gueye, died in the regrettably famous Oualata Prison as the result of "mistreatment." Following the recent incidents, the French press agency (AFP) confirmed that a good number of "Senegalese" expelled from Mauritania were, in fact, black Mauritians. Senegalese authorities have not hesitated to talk about the "deportation of black Mauritians to Senegal."

Even cadres in the administration are not safe. First the director of social security in Nouakchott was expelled, and then, on 22 May, it was the turn of Abdoul Diallo, financial director of the UN Development Program (UNDP), to be kicked out despite his diplomatic immunity and sharp protests by the international organization. It goes without saying that everything that has happened in Mauritania over the past several decades has had an effect on people living on the other side of the river. The frontier between the two states is more a legal reality than a historical or cultural fact.

And since 28 February 1988, the date of its latest presidential and legislative elections, Senegal for its part has been experiencing the worst political crisis in its history. The country is scarcely being governed, and one wonders where the real decisionmaking centers are. It is not surprising that authorities in Nouakchott did not hesitate to claim that the first attacks on the interests of Mauritanian shopkeepers in Dakar were an extension of the common people's repeated defiance of a government seeking new legitimacy.

Future of Small Business

The 300,000 (some say 600,000) Mauritians previously living in Senegal have historically been the most dynamic social class in the small business sector. Their departure from Senegal is bound to cause serious problems in the Senegalese economy, which is already very sick. The same is true of the approximately 100,000 Senegalese once living in Mauritania, where they worked as fishermen, mechanics, accountants, or executives in private firms.

The most disturbing question remains the future of the OMVS. The Malian president, General Moussa Traore, who is the current chairman of the Organization of African Unity (OAU), visited Senegal and Mauritania in mid-May to attempt mediation. He tried to be reassuring concerning continuation of the projects: "The current high commissioner of the OMVS has been given carte blanche to proceed in accordance with the decisions already reached by the organization's states."

Is there reason to fear that this Senegalese-Mauritanian conflict will escalate into a military venture? A second war among the poor? Tensions are high in the river region. Following the failure of Mali's attempt at mediation, the war of the airwaves, and the truce declared in honor of the third summit meeting of French-speaking countries in Dakar on 24 May, tension has increased by another notch.

Mauritania is a member of the Arab Maghreb Union (UMA) along with Algeria, Morocco, Libya, and Tunisia. Article 14 of the treaty establishing the UMA—adopted in Marrakech last 17 February—obligates its members to stick together in case of aggression. Although it is hardly conceivable that Morocco could fight alongside Mauritania in an armed conflict with Senegal, the fact remains that neither does the Moroccan kingdom want to run the risk of splitting up the Maghreb's very recent unity. That is why Morocco, supported by Algeria, is putting constant pressure on both parties to reduce tension and restore calm.

Resolving the Conflict Together

In one way or another, the basic problems remain. Mauritania will have to enter into a process enabling it to resolve its intercommunity conflicts. For its part, Senegal will have to find remedies for its political crisis. At the moment, some political parties even seem to be drawing closer to the government in support of "national salvation."

The two countries will have to work together to manage the harmful economic fallout from this conflict and really tackle the "post-dam" period. Because "getting through the desert" is going to take a long, long time.

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